

DAILY REPORT

China

CONTENTS

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PRC INTERNATIONAL AFFAIRS

GENERAL

RENMIN RIBAO on U.S.-Soviet Mideast Contention	[25 Aug]	A 1
RENMIN RIBAO Discusses Chinese World War II Book	[20 Aug]	A 2

UNITED STATES

Deng Xiaoping Meets U.S. Mathematician	25 Aug	B 1
RENMIN RIBAO Comments on Republican Convention	[25 Aug]	B 1
XINHUA Roundup of U.S. Election Campaign		B 2
U.S. Makes 'Exception' to Import Restrictions		B 4
Deng Yingchao Meets U.S. Library Commissioner		B 5
PRC Students in U.S. Establish Association		B 5

SOVIET UNION

Chernenko Calls for Nuclear-Free Zones	C 1
USSR Reports Success in Cruise Missile Tests	C 1

NORTHEAST ASIA

Gu Mu Meets Head of Chinese Museum in Japan	D 1	
Japanese Education Minister Visits Beijing	D 1	
Meets Li Peng	D 1	
Hosts Return Banquet	D 1	
Meets Zhu Muzhi	D 2	
Meets Counterpart	D 2	
Wang Zhen Meets Japanese Journalists	27 Aug	D 2
NODONG SINMUN Refutes Chon Tu-hwan Speech		D 2
South Korean Party Appeals for National Unity		D 3
Sino-Japanese Nei Monggol Project Cited		D 3

SOUTH ASIA

Indirect Talks on Afghanistan Resume in Geneva	F 1
Pakistan Protests 23 Aug Afghan Air Intrusion	F 1

WESTERN EUROPE

Zhang Jingfu Meets British Academician	G 1
Wang Renzhong Meets Belgian Parliamentarians	G 1
'Jane's' Cited on Soviet Incursions Into Sweden	G 1
Sweden's Palme Denounces 9 Aug Soviet Incursion	G 2

EASTERN EUROPE

Further Coverage of Li Xiannian Romania Visit	H 1
Visits Constanta	H 1
Praises Black Sea Canal	H 1
Tours Black Sea Beach	H 1
RENMIN RIBAO Views Sino-Romanian Friendship [22 Aug]	H 2
Beijing Rally Marks Romanian National Day	H 3
Further Coverage of Hungary's Marjai in PRC	H 4
Meets Chen Muhua	H 4
Meets Zhao Ziyang	H 4
Meets Yao Yilin	H 5
Australian Senator Comments on Trade With PRC	H 5

MIDDLE EAST & AFRICA

Kuwaiti Official Visits Chinese Leaders	I 1
Meeting With Zhao Ziyang	I 1
Welcomed by Ulanhu	I 1
Talks With Wang Renzhong	I 2
Gulf Discussed With Peng Zhen	I 2
Return Banquet	I 3

PRC NATIONAL AFFAIRS

Editorial Urges Recruiting Young CPC Members [RENMIN RIBAO 27 Aug]	K 1
Commentator on High Demands for Rectification [LIAOWANG No 32, 6 Aug]	K 3
Nankai University: Factionalist Negation Key Task [RENMIN RIBAO 21 Aug]	K 5
Coal Minister on Negating Cultural Revolution [GUANGMING RIBAO 15 Aug]	K 6
Hu Qili, Tian Jiyun Continue Inspection Tour	K 7
Visit Damxung County	K 7
Visit Lhasa Monasteries	K 8
Further Details	K 9
Visit PLA Units, Cadres	K 10
Zhao Ziyang on Developing Iron, Steel Industry	K 11
Yao Yilin on Petrochemical Industry Growth	K 13
Hu Qiaomu Inspects Zunhua County, Praises Family [HEBEI RIBAO 12 Aug]	K 14
Economist on Partial, Overall Economic Results [RENMIN RIBAO 13 Aug]	K 15
Economic Official Stresses Legal Safeguards	K 20
Deng Yingchao, Zhang Aiping Greet Senior Group	K 20

PRC REGIONAL AFFAIRS

NORTH REGION

Zhou Hui Urges Nei Monggol Courts' Improvement	R 1
Teams Greet Nei Monggol Frontier Guards	R 1
Shanxi's Li Ligong Wishes Examinees Success [SHANXI RIBAO 6 Aug]	R 1
Tianjin Circular Outlines Intellectuals' Policy	R 2
Tianjin Public Transport Improvements Under Way	R 2

NORTHEAST REGION

Li Lian Addresses Heilongjiang Civility Meeting	S	1
Liaoning Rectification Results Summarized	S	1
Liaoning Boosts Technical Modernization	S	3

NORTHWEST REGION

Shaanxi Reforms 16 National Defense Enterprises	T	1
Yu Guangyuan Inspects Shaanxi Production Brigade	T	1
Xinjiang: Wealth From Labor Distinct From Crimes	T	2
Wang Ermao at Xinjiang Prefecture Rally	T	2

PRC MEDIA ON TAIWAN AFFAIRS

Taiwan Paper Said Critical of Hijacker Rewards	U	1
Zhejiang Assistance to Taiwan Fishermen Noted	U	1

TAIWAN

Economic Official Advocates Lax Import Policy	V	1
Government Information Office Director Appointed	V	1
Taiwan Negotiates With Toyota on Joint Venture	V	1
4 Sep Deadline Set	V	1
Economics Minister on Project	V	2
Taiwan To Build Integrated Circuit Factory	V	2

HONG KONG MEDIA ON CHINA

GOP Stance on Taiwan, Hong Kong 'Interference'	W	1
[WEN WEI PO 24 Aug]		
USSR-PRC Ties Viewed After Mongolian Shakeup	W	3
[TA KUNG PAO 25 Aug]		
PRC Ties to Hungary Viewed Against USSR Stance	W	4
[HSIN WAN PAO 25 Aug]		
Hong Kong Continues Appeal of U.S. Textile Rule	W	5
[SOUTH CHINA MORNING POST 25 Aug]		

RENMIN RIBAO ON U.S.-SOVIET MIDEAST CONTENTION

HK260615 Beijing RENMIN RIBAO in Chinese 25 Aug 84 p 6

[Commentary by Wan Guang: "New Changes in Soviet-U.S. Rivalry in Middle East"]

[Text] Over the past year notable changes have taken place in the contest between the two superpowers -- the United States and the Soviet Union -- for the Middle East.

In June 1982, with U.S. support, Israel launched a war in order to invade Lebanon. Shortly, U.S. Marines were garrisoned in Beirut. In May 1983 Lebanon and Israel signed a Lebanese-Israeli agreement vigorously developed and designed by the United States. The United States simultaneously played the roles of a backstage architect of wars, "a policeman upholding order," a mediator, and a negotiation supervisor, thus greatly prevailing over the Soviet Union in their contention in the Middle East. However, in February this year U.S. Marines were forced to pull out of Beirut. In March the Lebanese Government announced its abrogation of the agreement between Lebanon and Israel. Reagan's plans for Middle East peace talks also ran aground. The United States has met with a series of setbacks in the Middle East.

Since the beginning of this year, as the United States has suffered setbacks, the Soviet Union has steadily sent senior officials to visit the Middle East and Gulf countries. This period has been one "in which the Soviet Union has been most active" in the Middle East since the mid-1970's. After the Lebanese war the Soviet Union embarked on strengthening its relations with Syria. Recently it sold vast quantities of arms to Iraq and extended \$2 billion of credit to it. Its senior officials exchanged visits with the senior officials of Iran. It has sent a new ambassador to Egypt. Similarly, Egypt has sent its new ambassador to the Soviet Union. In addition, the Soviet Union has imported crude oil from Saudi Arabia since last year. Recently it signed an agreement with Kuwait on supplying arms to the latter and invited the commander of Jordan's Armed Forces to visit the Soviet Union. Furthermore, it is going to help "Lebanon rebuild its Army" with arms and equipment. After taking this series of moves, in July the Soviet Union reiterated its proposal for an international conference on the Middle East issue and stressed the need for both the Soviet Union and the United States to "play an important role in affairs concerning the Near East."

Obviously, the purpose of this series of diplomatic offensives mounted by the Soviet Union is to consolidate its position in the Middle East and, with extended tentacles, to look for more new positions. It has tried its best to end the U.S. monopoly in Middle East negotiations, to weaken U.S. influence, to strengthen its position in the Middle East, and to boost its role in that area.

The Middle East is a focus of contention between the two superpowers, the United States and the Soviet Union. The latest round of their contention in the Middle East has inevitably become a focus of attention and concern in world opinion.

Judging by the development of the current situation, the advantages gained by the Soviet Union in the Middle East and, on the other hand, the succession of setbacks suffered by the United States can be accounted for by many factors. U.S. policy on the Middle East has its own fatal weaknesses. It backs Israeli expansionism, refuses to recognize the Palestinian people's legitimate rights, and does not respect the Arab countries' desire for the recovery of their lost lands. Thus, the Arab countries and their peoples feel humiliated and also harbor resentment against the United States.

Objectively speaking, after suffering setbacks in Lebanon, the United States will be unable to do anything in the Middle East for sometime. In addition, being preoccupied by its presidential election, it has offered the Soviet Union a splendid opportunity to mount offensives. To be sure, the United States will not watch the Soviet offensive with folded arms. By November this year, when its presidential election is over, it will reorganize its efforts and be involved in an even more fierce contention with the Soviet Union.

The Soviet Union has lost no time in expanding its sphere of influence by taking advantage of the American setbacks resulting from U.S. policy and of contradictions between the Arab countries on one hand and between the United States and Israel on the other. It was precisely for this reason that the Soviet Union again brought up its proposal for an international conference on the Middle East question at that time. Its new proposal is almost identical with the resolutions adopted by the Arab summit conference held in Fes in 1982, and it has won the support of many Arab countries and helped strengthen and improve relations between the Soviet Union and the Arab countries.

Characterized by continued divisions between its countries, the current situation in the Arab world invites superpower intervention. Only by making strenuous efforts to restore their unity can the Arab countries check Israeli expansion and superpower intervention and work towards the settlement of the Middle East and Palestinian questions. A recently discernible trend in the Arab world is that quite a number of Arab countries have adopted more balanced policies on international problems in order to preserve their independence and initiative. The new changes in the present state of U.S.-Soviet contention in the Middle East are related to this trend.

Judging from the trends in the Arab world, its present state, and the relative growth and decline of U.S. and Soviet influence in the Middle East, the contention between the two superpowers in the Middle East will remain a seesaw struggle continuing to repeat itself long into the future.

RENMIN RIBAO DISCUSSES CHINESE WORLD WAR II BOOK

HK230631 Beijing RENMIN RIBAO in Chinese 20 Aug 84 p 5

[Article by Li Nanyou: "A Historical Book With Rich Content -- a Review of 'World War II'"]

[Text] World War II was a war fought on a scale unprecedented in the history of the human race. No wars in the past can rival it in the number of participating countries, the vastness of the battlefield, and the number of experiences and lessons that can be drawn from it. During the more than 30 years since the war a vast number of books have been published on World War II.

China became involved in World War II the earliest and for the greatest length of time, and paid a great price. It wiped out and tied down a large number of Japanese troops and thus checked the Japanese troops' advance to the north, delayed their advance to the south, inspired the world's anti-fascists, and thus played a very important role. However, some books written abroad often are prejudiced against China's World War II role. Quite a few of them not only fail to correctly evaluate the role of the China battlefield, but also distort and defile it in an attempt to completely deny China's important role in the anti-fascist war. For a fairly long time, few scholars in our country have written books on World War II. Therefore, it is imperative for us to write some fine quality books specifically on World War II.

Huang Yuzhang, Tang Zhigang, Ding Mengqi, Zhang Hailin, Han Gaoren, and Wu Guangquan, the six comrades who have been engaged in teaching and researching the history of World War II for a long time in the People's Liberation Army Military Academy, have written a book entitled "World War II."

This book has nearly 50,000 characters, 60 military operations maps and many photographs. It will soon be published by the World Knowledge Publishing House.

In this book the writers apply the basic viewpoints and military thinking of Marxism-Leninism-Mao Zedong Thought to systematically discuss the cases, consequences and development of the various stages of World War II; to analyze several major battles and the development of the war in China, Europe, and other areas; to discuss in a relatively all-round manner the life and death struggle of the anti-fascist alliance against the Axis formed by Germany, Italy, and Japan -- a struggle that was vital to the destiny of the human race; and to examine the historical experiences and lessons of this war.

An obvious difference between this book and the relevant books currently found at home and abroad lies in the fact that a considerable part of the book pithily narrates the war on the battlefields of China.

After making an analysis of the world economic and political situation before World War II, the book points out that if at that time all the countries under the threat of aggression from the fascists could have united as one, formed an anti-fascist united front, jointly exposed the conspiracy of German, Italian, and Japanese fascists in launching an aggressive war and thus disturbed their schedule in launching the war, it would have then been possible to postpone the outbreak of the war. However, owing to various complicated causes, such a broad anti-fascist united front was not organized before the outbreak of war. That is why the war was not postponed. The chief cause was that the Chamberlain government of the United Kingdom implemented a policy of appeasement and indulged the German fascists' efforts of remilitarization, did its best to implement a policy of "diverting the disasters to the east," and attempted to use Germany to fight against the Soviet Union and the communists and thus profit by others' conflict. France worried that a strong Germany would be harmful to France, but out of the consideration of its need to oppose the Soviet Union and the communists, it followed and supported the British policy of appeasement. The United States implemented a foreign policy of "isolationism," looked on the struggles between the power, and waited for an opportunity to seize a position of world hegemony.

Because of the stubborn attitude of Britain and France, the Soviet Government turned to holding talks with Germany. The book holds that it is certainly feasible that the Soviet Union regarded the talks as a means of struggle and used the talks to expose the scheme of the German fascists in launching an aggressive war, to disclose the harm of appeasement in making it impossible to delay the outbreak of war, and to educate the Soviet and world people. If that was the case, then the Soviet Union was guiltless. However, after the Soviet Union and Germany signed the "German-Soviet Nonaggression Pact," the Soviet Union no longer stressed the principle of uniting with Britain and France to fight against German fascism in carrying out its foreign policies. On the contrary, it publicized the so-called "friendship" between the Soviet Union and Germany and improperly alleged that Germany was willing to end the war and seek peace. It denounced Britain and France, saying they were responsible for the continuation of the war. For a certain time the Soviet Union also refrained from denouncing the Japanese aggressors.

The questions of how the Soviet Union determined who was its most dangerous enemy and who was its ally, of how it had to exploit the contradictions between its enemies in order to isolate and strike blows at its most dangerous enemies, of what strategy it had to adopt in exposing and fighting against appeasement, and of how it had to use talks to expose the enemy are all matters that merit further research and study.

The book makes a detailed analysis of the various unwise moves, setbacks, and lessons drawn from what the Soviet Union did before and during the initial period of the war. For example, on 13 June 1941 Soviet Commissar of Defense Timoshenko saw that the outbreak of the war was imminent and asked that the troops in border military areas be ordered to make war preparations and that the first echelon be deployed in accordance with its plans. However, the supreme leader of the Soviet Union did not approve the immediate issuance of this order for fear that the enemy would use this as an excuse to carry out provocation. It was only midnight 21 June, when a large amount of information had definitely proven that the German troops planned to launch an offensive at dawn the next morning, that Stalin instructed Timoshenko to order all troops at the border military areas to immediately make war preparations and take cover in fortified areas along the border. However, it was already too late. Before most of the Soviet troops had received the order the preparatory firing of German artillery had already begun.

At the initial period of the war the Soviet Union suffered serious losses, but under the leadership of the CPSU and Stalin the Soviet people and Armed Forces, under the severe test of the war, promptly learned lessons from the losses and intensified in an all-round manner their political, economic, and military struggle against fascism. Through a long period of heroic fighting they finally defeated Nazi Germany's wanton attempt to conquer the Soviet Union in a blitzkrieg, and in the end they won the victory of anti-fascist struggle.

The book expounds in detail the situation and development in various battlefields and battles during World War II and analyzes the experiences and lessons in them. Then it points out that the experiences of World War II were the outcome of the historical conditions of that time. We can refer to many aspects of these valuable experiences, which our predecessors paid for in blood. At the same time, it points out: "Since the end of the war, there has been a tremendously great transformation in the fields of politics, economics, and science and technology and tremendously great change in weapons, equipment, organizational structure of troops, and military theory. Therefore, in researching and referring to the experiences of World War II we should see their special characteristics and development in order to facilitate preparation for anti-aggression wars in the future."

The publication of this book will play a useful role in urging our country's academic circles to research the history of World War II. Of course, as is pointed out in the preface of the book, opinions now differ both at home and abroad on many questions concerning World War II. This book is only the "views of one school" that are being published by way of introduction so that others may come up with valuable opinions. Extensive and deep research and discussion in the spirit of letting a hundred schools of learning contend is necessary to solve problems such as those related to the division of the war into several periods, the nature of the war, the experiences and lessons of the Soviet Union in being suddenly attacked by Germany, the position and role of the battlefield in China in World War II, and a forecast of World War III in the future.

DENG XIAOPING MEETS U.S. MATHEMATICIAN 25 AUG

OW250724 Beijing XINHUA in English 0714 GMT 25 Aug 84

["Deng Xiaoping Meets Noted Mathematician S.S. Chern" -- XINHUA headline]

[Text] Beijing, August 25 (XINHUA) -- Deng Xiaoping, chairman of the Central Advisory Commission of the Chinese Communist Party, met with S.S. Chern, internationally renowned mathematician and professor at Berkeley, University of California, and Mrs. Chern in the Great Hall of the People here today. During the meeting Deng had a cordial talk with the professor on training qualified personnel. Chern said he would contribute to China's development of mathematics. Minister of Education He Dongchang was present.

The meeting was followed by a luncheon given by Deng for the Cherns. Since 1972, Professor Chern has come to China on visit and lecture tours on eight occasions. This time he is scheduled to spend two months giving lectures in Beijing, Lanzhou, Fudan and Nankai Universities.

RENMIN RIBAO COMMENTS ON REPUBLICAN CONVENTION

HK250818 Beijing RENMIN RIBAO in Chinese 25 Aug 84 p 7

[Commentary by correspondent Zhang Liang: "The Republican Convention -- Preparation for Reagan's Presidential Campaign"]

[Text] Dallas, 23 Aug -- Reagan and Bush, the presidential and vice presidential candidates of the U.S. Republican Party for 1984, delivered their acceptance speeches in the Dallas Convention Center on 23 August. This marked the conclusion of the Republican Party convention, which lasted 4 days and cost \$14 million.

Reagan's speech at the convention set the tone for his presidential campaign this year. He flaunted the "prosperity," "peace," and "hope" his government has given America and lambasted the economic difficulties, the decline in national defense strength, and the drop in trust toward the United States among its allies during the rule of Democratic candidate Mondale and President Carter. Reagan obviously wanted to show the electorate that he should hold office for another 4 years. Reagan also said that if reelected, his next administration would ensure the completion of the tasks that the present one has been unable to complete and would continue to strive for the establishment of a "balanced budget amendment." On international issues Reagan said the biggest problem is "reducing the danger of nuclear war by cutting the level of nuclear arms," and he appealed to the Soviet Union to return to the negotiating table and work together with the United States to eliminate this danger.

Adoption of the 1984 Republican Party platform was one of the agenda items of this convention. The platform includes the party's economic, social, military, and foreign policies. The American press called the platform "a conservative document."

On economic issues the platform not only opposes raising taxes, but also proposes continued cuts in social welfare spending in order to reduce the federal budget deficit. On social issues the platform says nothing about the women's "equal rights amendment" and again opposes abortion. It supports the right to prayer in public schools, and so on. On military issues the platform reiterates the goal of "seeking peace through strength," opposes a nuclear freeze, and stresses that, while holding talks on verifiable arms control, the United States will continue to modernize its nuclear deterrent forces.

On foreign policy the platform says that for the United States and Soviet Union to establish "stable and peaceful" relations is "possible" and "desireable," but this all depends on America's "strength and resolve." Apart from these issues, the platform reiterates current U.S. policies on Western Europe, Central America, the Middle East, Africa, and so on.

It should be noted that in dealing with Sino-U.S. relations, although the platform speaks of continuing to develop ties with the PRC, it crudely interferes in China's internal affairs by openly expressing "concern" for Taiwan's security and pledging support and overall implementation of the "Taiwan Relations Act." The platform also advocates "self-determination" for Hong Kong. Such crude interference in China's internal affairs and phraseology violating China's sovereignty cannot but arouse the serious concern and anger of the Chinese people.

The media here comment that this "extremely conservative" platform was adopted by the Republican Party this year because "right-wing conservative forces" control the party apparatus.

It is universally held that the women's vote will be decisive in this year's presidential election. According to estimates there are 6 to 8 million more women voters than men. Hence, women have become the objective of fierce contention between the Republicans and the Democrats. A factor in favor of the Democratic Party is that it has chosen Ferraro as its vice presidential candidate, and this cannot but cause unease in the Republican Party. Hence the party's campaign managers provided special treatment for women during the convention. On the first 2 days of the convention, speeches were made by many women, including the Treasurer of the United States, the secretary of transportation, the secretary of health and human services, and the ambassador to the United Nations. This careful arrangement was beyond doubt aimed at capturing women's votes in a bid to narrow the so-called "gender gap." However, many delegates expressed disappointment that the platform did not mention the women's "equal rights amendment."

Judging by the main speeches delivered at the convention and the analyses of the media, the primary aim in Reagan's campaign strategy this year is to vigorously publicize the "successes" of the Reagan-Bush administration and strongly attack the "failures" of the Carter-Mondale years. The second aim is to focus the campaign on the important southern and western states, where there are large concentrations of voters. Apart from that, he will stress religious belief, home, "patriotism," and other "traditional values." Reagan is at present in a favorable electoral position, with public opinion polls showing him ahead of Mondale. However, the leaders of the Republican Party have warned their supporters not to be "overly optimistic" but to exert themselves in Reagan's campaign. Many people estimate that this year's presidential campaign will be another "very fierce" battle.

XINHUA ROUNDUP OF U.S. ELECTION CAMPAIGN

OW251330 Beijing XINHUA in English 1259 GMT 25 Aug 84

["Round-up: Republicans and Democrats Work Out Platforms for Presidential Campaign"
(by Li Yanning) -- XINHUA headline]

[Text] Dallas, August 24 (XINHUA) -- The four-day U.S. Republican convention closed to deafening cheers here today, with 73-year-old Ronald Reagan nominated as 1984 presidential candidate and 60-year-old George Bush as his running mate.

This convention, at which no contenders except Reagan and Bush ran for the nomination, was held in an optimistic atmosphere dominated by the expectation that Reagan might be reelected to the White House for another four-year term in the coming general election.

The Republicans are confident because Reagan is running not in a year like 1982, when the U.S. economic recession was at its worst, but in 1984 when it is recovering as a result, they believe, of Reagan's economic policy.

True, U.S. industrial production has been increasing, inflation slowing dramatically, interest rates and unemployment falling and exchange rates of the U.S. dollar rising steadily. All this was boasted of at the convention. However, financial deficits, totalling 170 billion U.S. dollars in this financial year alone, remain an outstanding problem embarrassing the federal government.

At the Democratic convention in San Francisco last July, presidential candidate Walter Mondale seized upon the issue saying that the budget deficit of the Reagan administration in one year is much more than the total deficits the Carter administration had in four years. He said that Reagan had a secret plan for tax increases if re-elected. But the Republicans launched a counterattack at the Dallas convention, saying that it is the Democratic Party that likes tax increase most. They promised to further cut taxes if they continue in office. This move, of course, touched the Democrats on the raw, for they were thrown out four years ago when voters, including many traditional Democratic supporters, were fed up with the high taxes and high expenditure policies pursued by the Democrats for many years. Now, bringing up a matter of the past, the Republicans were obviously trying to play down the argument of the Democrats.

Strangely enough, though the Republican government has tried to cut taxes, it has still increased military spending while cutting spending on social welfare, education and medicare to the extent that further cutbacks in those fields might be impossible. This being so, it would be an unthinkable miracle to be able to cut the deficits without raising taxes.

The Democrats also charged that the Reagan administration had tried to benefit the rich at the expense of the poor. They accused the administration of "Social Darwinism", giving no support to the poor in the past years. But, the Republicans argued, the living standard of the poor can be improved only if the whole economy is developed to provide more job opportunities. In order to attract women and black voters, the Dallas convention deliberately arranged for many speeches by women, black and minority delegates. It also asked Treasurer of the Reagan administration Katherine Ortega, a Hispanic woman, to make the keynote speech. Unprecedented in the history of the Republican Party, this was apparently designed to compete with the nomination of Italian-American Geraldine Ferraro as Democratic vice-presidential candidate, analysts said.

On foreign policy the two parties differ, though not widely. The Democrats accused Reagan of adopting a rigid policy toward the Soviet Union and of refusing to hold a summit with Soviet leaders. They also opposed U.S. military interference in Central America and support for the anti-government rebels in Nicaragua. However, the Republicans argued that Reagan had made the United States strong again and got rid of the weakened national image created by the Carter administration. They said that military might gave America a position of strength in negotiations with the Soviet Union. They also claimed that the U.S. armed intervention in Grenada was "a proud moment in the history of this country." They accused the Democrats of always "blaming America first" when something happens.

Now that both conventions are over, the presidential campaign will enter a new stage. It is predictable that the presidential candidates will step up their competition for voters by denouncing each other's policies before November 6. Meanwhile, in various states the competition for more seats in the Senate and the House of Representatives will also begin with the Republicans trying to retain their majority in the Senate and win dominance in the House of Representatives, while the Democrats strive to hold back their control of the latter and diminish Republican members in the former. But analysts believe that it is hard to tell who will emerge victorious.

U.S. MAKES 'EXCEPTION' TO IMPORT RESTRICTIONS

OW241100 Beijing XINHUA in English 1044 GMT 24 Aug 84

[Text] Washington, August 23 (XINHUA) -- Under strong protest and criticism at home and abroad, the Reagan administration today made a "limited exception" to the controversial new "country of origin rules" governing the import of textiles by delaying enforcement until October 31 for shipments ordered prior to August 3. But the new rule, which was issued by the U.S. Customs Service August 3, will still go into effect September 7 for all other textile imports. It stipulates that textile exporters are subject to the inspection by the U.S. Customs Service on the country of origin of their goods and no transshipment is allowed to fill unused quotas of certain countries.

Chinese Ambassador to the United States Zhang Wenjin pointed out in a letter to the U.S. Government last week that the new rules "constitute a clear violation" of the bilateral agreement and the Multiple Fibre Agreement. Many textile exporters abroad, as well as American retailers, importers and farmers, strongly criticized the new rule and have urged U.S. President Ronald Reagan to withdraw the new regulations or delay their execution. Four Hong Kong textile associations yesterday called for a boycott of American cigarettes in retaliation for the new U.S. textile import regulations.

The U.S. Customs Service announced the "exception" to the rule late today, saying that "in those cases where a purchaser had an agreement in effect prior to August 3 and the textile products are shipped from the country of origin, effective date of the regulations will be October 31." It added, "In all other cases the effective date will remain September 7." The announcement said that the "limited exception" to the rules is designed "to alleviate unnecessary hardships" in the United States. It also raised the possibility that the September 7 rules could be modified further later on.

William A. Andres, chairman of the retail industry Trade Action Coalition, representing American retailers, stressed that the change was not enough. "We welcome the administration's action to help us get through the Christmas season, but we see this as only a beginning," Andres said. "We will continue to seek the withdrawal of these regulations that are not only disruptive to the retail industry but impose the hidden tax on the American consumer."

In Dallas, U.S. trade representative William Brock said today that the Reagan administration is considering proposals put forth by U.S. retailers and foreign governments to alter or delay the new restrictions on textile imports, but no final decision has been made, he added.

DENG YINGCHAO MEETS U.S. LIBRARY COMMISSIONER

OW231351 Beijing XINHUA in English 1231 GMT 23 Aug 84

[Text] Beijing, August 23 (XINHUA) -- Deng Yingchao, chairman of the National Committee of the Chinese People's Political Consultative Conference, met here today with Professor Julia Liwu, commissioner of the National Commission on Libraries and Information Science of the United States, and her husband, Professor Alfred Y. Wu.

During the meeting, Deng, who is also honorary president of the Chinese People's Association for Friendship With Foreign Countries, gave the guests her views on China's prospects for peaceful reunification. She said, "Our policy on Taiwan's return to the motherland for China's peaceful reunification was put forward in consideration of the country's national interests." She described the increase of contacts and mutual understanding and trust between the people of China's mainland and Taiwan as a must for peaceful reunification. Of course, she said, it would take some time to fulfill the task; "but, we cannot afford to wait too long. Otherwise, it will be detrimental to the people on both sides of the Taiwan Straits," she added.

She said, "We hope this question can be solved by people of our generation. The solution will be easier for this generation than for the next one." Deng reiterated that after the peaceful reunification, Taiwan's present social and economic system, way of life, and economic and cultural relations with foreign countries would remain unchanged. She said that if the third cooperation between the Chinese Communist Party and the Kuomintang were to be realized, neither side would swallow the other.

Julia Liwu told Deng that she was inspired and overwhelmed by the changes she saw in China. Toward the end of the meeting she and her husband presented Deng with picture albums and a poem praising her broad-mindedness and patriotism. Wang Bingnan, president of the Chinese People's Association for Friendship With Foreign Countries, was present at the meeting.

PRC STUDENTS IN U.S. ESTABLISH ASSOCIATION

OW261110 Beijing XINHUA in English 1041 GMT 26 Aug 84

[Text] Washington, August 25 (XINHUA) -- Chinese students and visiting scholars in the United States now have an organization of their own called "The United Association of Scholars and Students From the People's Republic of China in the U.S.A."

At the first meeting of the association's directorate, which concluded here today, a program of action was discussed which is designed to promote friendship among the Chinese students, help solve their problems in daily life, and conduct exchange of experiences in their studies and researches. It was also decided at the two-day meeting that the association, headquartered in Washington, will issue a non-periodic publication titled REPORTS FROM CHINESE STUDENTS IN THE U.S.

The association was officially set up on June 19 and its directorate formed by representatives of Chinese students from nine universities and institutes, where a relative greater number of Chinese students are studying. They include the University of California, Berkeley; the University of Maryland; the University of Wisconsin; the Massachusetts Institute of Technology and the Johns Hopkins University. It is learned that there are over 10,000 Chinese students and visiting scholars studying and working in some 360 universities and institutes in 50 states of this country.

CHERNENKO CALLS FOR NUCLEAR-FREE ZONES

OW261101 Beijing XINHUA in English 1035 GMT 26 Aug 84

[Text] Moscow, August 25 (XINHUA) -- Soviet President Konstantin Chernenko said today that the Soviet Union stands for the establishment of nuclear-free zones, in particular, in Nordic Europe and in the Balkans.

In his reply to a letter sent by secretary of the first international conference on nuclear-free zones held in Britain's Manchester, Chernenko also called for "battlefield nuclear weapons to be withdrawn from the corresponding zone in central Europe and for Europe to be rid of medium-range and tactical nuclear weapons altogether."

The Manchester conference of last April proposed the establishment of nuclear-free zones as a means to limit the nuclear arms race.

Observers here noted that Chernenko's call was made when the Soviet Union and the United States are quickening their pace in the deployment of nuclear weapons in Europe.

USSR REPORTS SUCCESS IN CRUISE MISSILE TESTS

OW261301 Beijing XINHUA in English 1248 GMT 26 Aug 84

[Text] Moscow, August 25 (XINHUA) -- The Soviet Union today announced that it has conducted successful tests of new long-range cruise missiles launched from the ground.

The announcement was made by the Soviet Defense Ministry, carried by the official news agency TASS and read on Soviet television news. In a statement issued by TASS, the ministry said the Soviet Union repeatedly suggested to the United States that they both ban long-range cruise missiles but Washington had ignored the suggestion. "In the interests of ensuring its security and the security of other Warsaw Treaty member states," it said, "the Soviet Union has adopted appropriate measures."

The ministry also said that if the United States continues to deploy long-range cruise missiles, the Soviet Union will take corresponding countermeasures and it will not allow the United States to break the balance in this aspect.

On August 8, the Soviet journal LITERARY GAZETTE reported that the Soviet Union had succeeded in its long-range cruise missile tests, only eight days after the Soviet party newspaper PRAVDA disclosed the start of cruise missile tests in the country.

GU MU MEETS HEAD OF CHINESE MUSEUM IN JAPAN

OW251455 Beijing XINHUA in English 1434 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Chinese State Councillor Gu Mu met C.K. Ling, president of Nagasaki City's China Hall Ltd., and his wife here this afternoon. China Hall contains a museum which, in cooperation with the Chinese Museum of History, displays a collection of ancient Chinese relics.

During the meeting Gu Mu said the opening of a Chinese museum in Nagasaki City is a significant step in strengthening Japan-China cultural exchanges. He also pledged support for Ling's plan to promote trade links between China and the Japanese city of Fukuoka.

JAPANESE EDUCATION MINISTER VISITS BEIJING

Meets Li Peng

OW261246 Beijing XINHUA in English 1234 GMT 26 Aug 84

[Text] Beijing, August 26 (XINHUA) -- Chinese Vice-Premier Li Peng said here today that he was satisfied with educational exchanges between China and Japan in the past few years and hoped that the two countries would further strengthen the work in this field as part of the effort to push forward their friendly relations and cooperation. Li Peng said these remarks at a meeting this afternoon with Japanese Minister of Education Yochiro Mori, Mrs. Mori and their party.

Minister Mori said he was grateful for this opportunity to visit China. He expressed the belief that the Japan-China educational exchanges would surely be developed to a new level in the coming decades. Present on the occasion were He Dongchang, Chinese minister of education, and Yosuke Nakae, Japanese ambassador to China.

Hosts Return Banquet

OW261610 Beijing XINHUA in English 1559 GMT 26 Aug 84

[Text] Beijing, August 26 (XINHUA) -- Japanese Minister of Education Yochiro Mori and his wife gave a return banquet here this evening. Among the guests were He Dongchang, Chinese minister of education, Lu Jiaxi, president of the Academy of Sciences of China, and Ma Hong, president of the Academy of Social Sciences of China.

In his toast Mori said during the visit the two sides discussed educational, academic and cultural exchanges and he was very pleased with the useful results achieved. He said he was deeply impressed when he was told that Chinese education would be oriented toward the modernization program, the world and the future, as Deng Xiaoping had proposed. Both Japan and China were faced with the task of developing their education, he said. The Japanese minister said he would do his share to promote the Japan-China friendly relations.

Minister He Dongchang said his talks with Minister Mori had resulted in a summary of talks which would bring the Sino-Japanese educational exchanges to a new stage. He expressed the belief that Minister Mori's visit would further promote exchanges in culture, education, science and technology as well as in sports. Present at the banquet were Japanese Ambassador to China Yosuke Nakae and Mrs. Nakae.

I. 27 Aug 84

D 2

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

Meets Zhu Muzhi

OW251700 Beijing XINHUA in English 1430 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Chinese Minister of Culture Zhu Muzhi met visiting Japanese Minister of Education Yoshiro Mori, Mrs. Mori, and their party here this afternoon. They discussed ways to strengthen cultural exchanges between the two countries.

Mori said that contacts between Japan and China started more than 2,001 years ago, and the signing of the agreement on bilateral cultural exchanges in 1979 between [as received] had been a new beginning. Zhu said that there are broad prospects for bilateral exchanges in the field of culture, including film production, historical relics, books, and paintings. The coming visit by 3,000 Japanese young people to China would give a great boost to Sino-Japanese friendship and closer cultural relations between the two countries, he said. Japanese Ambassador to China Yosuke Nakae was present at the meeting. This evening, president of the Chinese Academy of Sciences Lu Jiaxi hosted a dinner for Mori and his party.

Meets Counterpart

OW241152 Beijing XINHUA in English 1145 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Chinese Minister of Education He Dongchang held talks with Japanese Minister of Education Yoshiro Mori here this afternoon.

After the talks, which proceeded in a friendly atmosphere, the two sides decided on a summary of talks. The summary said that the two sides expressed satisfaction with educational exchange in recent years between the two countries and unanimously agreed on further expanding exchange of students, mutual dispatching of educational study groups, promoting cooperation universities, meeting of presidents of Chinese and Japanese universities, and strengthening academic exchanges.

Present at the talks were members of Mori's party and Japanese Ambassador to China Yosuke Nakae. Minister Mori and his party arrived here this noon for a visit at the invitation of Minister He Dongchang.

WANG ZHEN MEETS JAPANESE JOURNALISTS 27 AUG

OW270837 Beijing XINHUA in English 0759 GMT 27 Aug 84

[Text] Beijing, August 27 (XINHUA) -- Wang Zhen, honorary president of the China-Japan Friendship Association, met here this morning with a group of Japanese journalists led by Kazuo Ota. The Japanese journalists came here on August 23 at the invitation of the All-China Journalists Association.

NODONG SINMUN REFUTES CHON TU-HWAN SPEECH

OW251217 Beijing XINHUA in English 1131 GMT 25 Aug 84

[Text] Pyongyang, August 25 (XINHUA) -- National reunification of Korea is the prerequisite to and ultimate purpose of real economic cooperation between the northern and southern parts of Korea, says NODONG SINMUN of the DPRK in a commentary today.

The commentary, refuting a speech made by "President" Chon Tu-hwan of South Korea at a press conference on August 20, says that to conduct economic cooperation in Korea aimed at national reunification, South Korean authorities should "first stop intensifying the tension between the North and South."

I. 27 Aug 84

D 3

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

It points out that South Korean authorities' offer of "free aid" to DPRK is a "shameless and detestable plot, which is intended to eliminate the influence of the prosperous Democratic Republic on the people of South Korea."

The commentary says the most urgent problem in the Korean peninsula is "to remove the danger of war, change the insecure armistice agreement of Korea into a stable peace and create conditions for independent and peaceful reunification." If South Korean authorities really want to improve North-South relations or even reunification, the commentary points out, they should ask the U.S. Army to withdraw from South Korea and give a positive response to DPRK's proposal for tripartite talks.

SOUTH KOREAN PARTY APPEALS FOR NATIONAL UNITY

OW260920 Beijing XINHUA in English 0855 GMT 26 Aug 84

[Text] Pyongyang, August 26 (XINHUA) -- The South Korean people were urged to defeat the South Korean authorities' plot to create "two Koreas" and strive to reunify the country in the form of a confederal republic. The appeal was made by the South Korean Revolutionary Party for Reunification on August 22, which appeared in the Korean newspaper NODONG SINMUN today.

The appeal said that the pressing task facing the Korean people is to oppose U.S. military occupation and its policy of national division, bring about independence and democracy in the society of South Korea, and realize an independent and peaceful reunification of the country. It also called on the South Korean people to wage a struggle against war and nuclear weapons and force the U.S. troops to completely withdraw from South Korea. The Revolutionary Party was founded on August 25, 1969.

SINO-JAPANESE NEI MONGGOL PROJECT CITED

OW221313 Beijing XINHUA in English 1225 GMT 22 Aug 84

[Text] Hohhot, August 22 (XINHUA) -- A cashmere wool manufacturing company in Inner Mongolia -- a compensation trade project between the autonomous region and the Japanese firm, Mitsui -- has been operating well since its inauguration in October, 1981, a company official said.

The Ih Ju League Textile Company, formerly called Dongsheng Cashmere Mill, made a profit of 75.99 million yuan up to last June this year, the official said. The investment in launching the project was 33.55 million yuan. Located in Ih Ju League in the southwestern part of the Inner Mongolian Autonomous Region, which is one of China's top cashmere producers, the textile company produces 500 tons of dehaired cashmere and 300,000 pieces of cashmere sweaters a year, ranking among the world's largest cashmere dehairing enterprises. The company has some 2,500 skilled workers in its four mills, which are completely equipped with modern wool washing, dehairing, dyeing, combing, spinning, knitting and finishing plants imported from Japan.

INDIRECT TALKS ON AFGHANISTAN RESUME IN GENEVA

OW242150 Beijing XINHUA in English 1617 GMT 24 Aug 84

[Text] Geneva, August 24 (XINHUA) -- The United Nations sponsored indirect talks between Pakistan and the Soviet-supported regime of Kabul on the political future of Afghanistan resumed at Palais des Nations here today.

The UN mediator at the talks, Under-Secretary General Diego Cordovez, met with Foreign Minister of the Kabul regime Shah Mohammad Dost this morning and is meeting Pakistani Foreign Minister Sahabzada Yaqub Khan this afternoon.

This is the fourth round of the indirect talks on the future of Afghanistan, which first started here in June, 1982. The third round of talks started here in June, 1982. The third round of talks was held in June last year. Since Pakistan refuses to negotiate a tete-a-tete with the Kabul regime before the withdrawal of Soviet troops from its territory, the current talks are held with Cordovez as the mediator.

The Pakistan Government stressed recently that Pakistan will not be intimidated by the air raids and incursions of the Kabul regime, which have been intensified since the beginning of this year.

Observers here said that the new round of indirect talks will not bring about a remarkable outcome as the Soviet Union has not indicated its intention of withdrawing its troops from Afghanistan.

PAKISTAN PROTESTS 23 AUG AFGHAN AIR INTRUSION

OW241230 Beijing XINHUA in English 1206 GMT 24 Aug 84

[Text] Islamabad, August 24 (XINHUA) -- Two Afghan aircraft intruded into Pakistan's airspace at 1200 hours yesterday, penetrating by about one km over the Teri Manga area of the North West Frontier Province, A press note issued here said today. The aircraft dropped two bombs in the area, killing three and wounding two persons, the press note said. This is the third air violation and part of a series of border military provocations by the Kabul authorities since August 13. As a result, the casualties in this area have mounted to 89 including 54 deaths. What is more serious is that these provocations happened just on the eve of the resumption of the UN sponsored indirect talks in Geneva on the Afghanistan issue, thus vitiating the atmosphere of the talks.

According to the press note, the Afghan charge d'affaires here was summoned to the Foreign Office today and a strong protest was lodged with him over the acts of aggression by the Kabul authorities. He was told that Pakistan would reserve the right to act in self-defence.

The UN secretary general is also being informed about the latest grave incidents, the press note said.

ZHANG JINGFU MEETS BRITISH ACADEMICIAN

OW251307 Beijing XINHUA in English 1124 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Chinese State Councillor Zhang Jingfu met here today with Dr Joseph Needham, British expert of natural science history, and his assistant Ms Lu Gwei-djen.

Needham, an old friend of the Chinese people, has visited China on six occasions since the People's Republic was founded in 1949, and has been writing a book entitled "Science and Civilization in China" to introduce China's progresses in civilization and science in the past several thousand years.

During the meeting, Zhang Jingfu expressed warm welcome to Needham, who is now at the advanced age of 84, for his seventh visit to China, and paid tribute to his contributions to the research of China's natural science history and to promoting British-Chinese friendship. Zhang said that the Chinese scientific workers should learn from Dr Needham's spirit who attached importance to the research on China's legacy of ancient science and assiduously studied science. *

Needham told Zhang that the seven-volume "Science and Civilization in China" consisted of more than 20 parts, that four volumes had come off the press, and that another part with a subtitle "Gunpowder Weapon and Engines" had been sent to the press.

Zhang said that he wished Needham early completion of this voluminous work and was looking forward to his next visit to China. Lu Jiaxi, president of the Chinese Academy of Sciences, was present at the meeting.

WANG RENZHONG MEETS BELGIAN PARLIAMENTARIANS

OW270850 Beijing XINHUA in English 0738 GMT 27 Aug 84

[Text] Beijing, August 27 (XINHUA) -- Vice-Chairman Wang Renzhong of the National People's Congress Standing Committee had discussed international issues here today with a delegation from the Flamand Council of Beijing.

The delegation led by the council's chairman, Jean Pede, arrived here Saturday at the invitation of the Chinese People's Institute of Foreign Affairs. Topics at today's discussion included the situation in Europe, disarmament, North-South relations and the Middle East. Wang Renzhong also briefed the visitors on the composition and functions of the national and local people's congresses in China.

'JANE'S' CITED ON SOVIET INCURSIONS INTO SWEDEN

OW231914 Beijing XINHUA in English 1623 GMT 23 Aug 84

[Text] London, August 23 (XINHUA) -- Soviet incursions into Sweden in the past 22 years have passed the 150 times mark and all areas of the Swedish coast have been visited by Soviet ships, according to the latest edition of "Jane's Fighting Ships."

In his forward to this year's edition of the almanac, John Moore, editor of the yearbook, says: "Over 20 years, the Soviet Navy has no doubt built up a formidable dossier covering such targets as air, naval and communications bases."

The Soviet contravention of international law has continued since 1962, "the present total of such incursions having now passed the 150 mark. All areas of the Swedish coast have been visited from Haparanda in the north to Malmo in the south," he says.

When the Soviet Union is discussing with other countries the easing of international relations at various meetings at Stockholm, "Soviet submarines and converted merchant ships are landing reconnaissance parties from the Kronshtadt-based Spetsnaz units throughout the Swedish coastline," the editor says.

The Soviet operation is designed, according to Moore, to plan the outflanking of NATO defenses in the Western Baltic in the event of war.

SWEDEN'S PALME DENOUNCES 9 AUG SOVIET INCURSION

OW270717 Beijing XINHUA in English 0638 GMT 27 Aug 84

[Text] Stockholm, August 26 (XINHUA) -- Swedish Prime Minister Olof Palme today described the latest Soviet fighter intrusion into Swedish airspace as "serious" and said the incident will do "no good" for the Swedish-Soviet relations.

On August 9, a Soviet Sukhoi-15 fighter tailed a Swedish airline with 271 passengers on board for five minutes at a distance of about 2,000 meters, flying over part of the southeast island of Gotland and penetrating 28 kilometers into Swedish airspace. The Swedish Foreign Ministry immediately summoned Minister of the Soviet Embassy in Sweden Yevgeniy Rumko and notified him of an oral protest demanding a Soviet explanation of the incident.

Palme said, "We are waiting to see what they will say about it."

The Swedish newspaper DAGENS NYHETER today commented on the incident, saying the Soviet fighter's intrusion into Swedish airspace apparently had an aim. It urged the Soviet Union to give an explanation of the intrusion and make an apology to Sweden.

Swedish-Soviet foreign relations have been strained since a Soviet submarine got stranded off the Swedish coast in 1981.

The DAGENS NYHETER said the incident will cause grave consequences to the already-strained relations between the two countries.

Another Swedish newspaper SVENSKA DAGBLADET said in a commentary today that a Soviet explanation of the incident will have a decisive effect on the Swedish-Soviet relations. If the Soviet explanation is unacceptable, the paper said, the Swedish Government will lodge a formal protest with the Soviet Union.

FURTHER COVERAGE OF LI XIANNIAN ROMANIA VISIT

Visits Constanta

OW241320 Beijing XINHUA in English 1304 GMT 24 Aug 84

[Text] Constanta, Romania, August 24 (XINHUA) -- Chinese President Li Xiannian flew in here this morning for a two-day tour of the Black Sea port city of Constanta after attending Romania's National Day celebrations in Bucharest. The Chinese leader is accompanied by Romanian minister, Secretary of State at the Ministry of Foreign Affairs Aurel Duma.

Li and his party drove from the Constanta airport to the farm fields of the Constanta vegetable production company and the Pecineaga agricultural cooperative, where they received a cheering welcome from hundreds of local people. President Li saw with great interest a vegetable garden and a husbandry unit. He praised the achievements gained by the Romanian people in their agricultural production.

At the end of the morning tour Li told his hosts that "agriculture is very important. But, in final analysis, the development of agricultural production depends on science and technology."

When arriving at the Constanta airport, President Li was greeted by Nicolae Mihalache, first secretary of the Constanta County Committee of the Romanian Communist Party.

Praises Black Sea Canal

OW251408 Beijing XINHUA in English 1327 GMT 25 Aug 84

[Text] Constanta, Romania, August 25 (XINHUA) -- Chinese President Li Xiannian today praised the Danube-Black Sea Canal as "a magnificent project and brilliant achievement of the heroic Romanian people." President Li made the comment in an interview with the Romanian news agency AGERPRES during his boat tour of the 64.2-kilometer-long water-course this morning, the second day of his stay in Constanta.

Aurel Duma, minister, secretary of state at the Romanian Ministry of Foreign Affairs, and Nicolae Mihalache, first secretary of the Constanta County Committee of the Romanian Communist Party, accompanied the Chinese leader on the visit. Mihalache briefed the Chinese president on the construction of the canal and its economic and social significance for the country. He said the canal means an about 400-km shorter waterway between the ports of Constanta and Cernavoda. At the same time, it can irrigate 25,000 hectares of farm-land and benefits most of the countries along the Danube.

President Li told his hosts: "This project is a great victory won by the Romanian people under the leadership of the Romanian Communist Party headed by General Secretary N. Ceausescu." On the way back to the "Neptun" health resort along the Black-Sea beach, the Chinese leader and his party visited the Murfatlar grape garden where they tasted local-produced grape wine.

Tours Black Sea Beach

OW261245 Beijing XINHUA in English 1229 GMT 26 Aug 84

[Text] Constanta, Romania, August 26 (XINHUA) -- Chinese President Li Xiannian this morning toured the Venus and Amfiteatru resort centers on the sunny Black Sea coast. The Chinese president will return to Bucharest this afternoon, where he is expected to have two rounds of talks with Romanian President Nicolae Ceausescu tomorrow on the development of Sino-Romanian relations and major international issues.

RENMIN RIBAO VIEWS SINO-ROMANIAN FRIENDSHIP

HK240838 Beijing RENMIN RIBAO in Chinese 22 Aug 84 p 6

[Article by Li Qiang, president of Sino-Romanian Friendship Association: "May Sino-Romanian Friendship Remain Ever Green"]

[Text] Tomorrow is a festive day for the Romanian people -- the 40th anniversary of the victory of the anti-fascist and anti-imperialist revolution for social and national liberation. It will be 35 full years since the establishment of diplomatic relations between China and Romania. In these years, the two parties, the two countries, and the two peoples have, in a long period of revolutionary struggle and socialist economic construction, shown mutual support and fought together, cultivating profound fraternal friendship.

In international matters, China and Romania have all along shown mutual support. Romania, pursuing a line of self-reliance and independence, has always been friendly toward our country. Especially when we fell upon hard times, it came forward to render us great support. Our country also has all along resolutely supported the Romanian people in the just struggle to safeguard national independence and national sovereignty. The many exchange visits between the party and government leaders of China and Romania have enabled the friendship between the two countries to continuously deepen. In August 1964, I accompanied a Chinese Government delegation, led by Comrade Li Xiannian, to Romania, participating in the celebration of the 20th anniversary of Romania's liberation. There we received warm hospitality and saw for ourselves the great results of socialist construction achieved by the Romanian people under the leadership of the Communist Party of Romania. In the past few years, there have been more frequent friendly exchanges between China and Romania. Various party, government, and military departments of the two countries have sent every year many delegations and groups of experts to visit each other and make specialized technical surveys. Overall cooperation or exchanges have taken place in political, economic, scientific, technical, cultural, and other fields.

In the economic field, China and Romania have also rendered mutual aid. On the basis of equality and mutual benefit, trade between the two countries has shown tremendous development. Trade between China and Romania began in the 1950's. The first trade agreement was signed in 1952. At that time, the trade volume was very small, total imports and exports being worth less than \$4 million. To stimulate the development of trade relations, China and Romania took a series of positive measures: the holding of exhibitions by both sides to show achievements in construction and to display samples; the exchange of delegations and survey teams; the signing of annual trade agreements and long-term trade agreements; and so on and so forth. To meet the needs of the continuous development of economic relations between China and Romania, there were also established in the 1970's two important bilateral committees, that is, the Sino-Romanian mixed trade committee, set up in 1975, and the committee on economic and technical cooperation between the Chinese and Romanian Governments, established in 1978. During this period, trade between the two countries also became increasingly varied in form. All this has given an effective boost to the rapid development of bilateral trade relations. In 1983, the total value of imports and exports between China and Romania reached about \$700 million. This meant a tremendous development of trade between the two countries compared with 1952. This year, according to estimates based on the governmental trade protocol already signed between China and Romania and on the exchange of commodities on cash terms agreed upon between the two sides, the total trade volume will show a further increase over the preceding year. Apart from traditional trade, new areas of cooperation between China and Romania have been opened up since 1978. Both sides have provided each other with techniques and help in making complete sets of equipment or single units of equipment. Cooperation has involved compensatory trade for coal mining in our country.

In the past 5 years or so, energetic bilateral efforts have brought gratifying results in cooperation concerning production techniques. Cooperation has been on an increasingly large scale. The value of mutually supplied products has also been climbing steadily.

The exchange of commodities between China and Romania has played a positive role in stimulating the development of the national economies of the two countries. The staple commodities imported by our country from Romania have included petroleum equipment, internal combustion engines, rolling stock, motor vehicles of various kinds, cargo ships, rolled steel, aluminium ingots, and various kinds of petrochemical products. Among the staple commodities exported by our country to Romania are coke, tungsten ore, antimony, mercury, nonferrous metals, cotton, rosin, rice, textiles, and so forth. Among the commodities exchanged on cash terms, our country has imported chemical fertilizers and rolled steel from Romania and exported crude oil. It may be remembered that in the early 1960's, when our country was for a time beset with serious difficulties, Romania supplied us with some petroleum equipment and products. This help was highly appreciated. It played a positive role in developing our petroleum industry. Meanwhile, our country also exerted great efforts in supplying Romania with important raw and other materials it needed, and tried its best to satisfy its needs first. For instance, coke was not originally on our country's list of exports. But because of Romania's need, our country has supplied it from the stocks for our own use. Examples of mutual help and mutual support of this kind in the economic trade between China and Romania are too numerous to mention. Looking into the future, there is wide scope for economic trade between our two countries. The outlook is bright. Both sides have agreed on and started making preparations to sign a new long-term 1986-1990 trade agreement. This carries great significance in the development of bilateral economic trade in a steady and planned manner.

Judging from the history of several decades of friendly exchanges between China and Romania, we can see that the relations between the two parties of China and Romania, between the two countries, and between the two peoples are becoming ever closer, and that friendship is growing ever deeper with the display of mutual trust and mutual respect. Romania regards our country as a friend that can be relied upon under any circumstances. Our country has also taken the continuous strengthening of Sino-Romanian friendship as a firm and unswerving guideline. On a series of major international issues, our two countries share basically the same viewpoint. In international matters we show mutual support. In economic construction, we help each other. Our cooperation is unusually good. Moreover, I anticipate still better cooperation in the future.

At a time when the whole of Romania is jubilantly celebrating the brilliant festive day, let us wish for still greater achievements scored by the Romanian people under the leadership of the Communist Party of Romania led by Comrade Nicolae Ceausescu and wish for Sino-Romanian friendship to remain ever green.

BEIJING RALLY MARKS ROMANIAN NATIONAL DAY

OW241158 Beijing XINHUA in English 1149 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Workers from the Beijing No 2 cotton mill held a rally in celebration of the 40th anniversary of Romania's social and national liberation and its anti-fascist and anti-imperialist revolution here this afternoon. Director Zhang Youfu, on behalf of all workers of the mill, extended festival greetings to the Romanian people and workers and wished them still greater success in their socialist construction.

I. 27 Aug 84

H 4

PRC INTERNATIONAL AFFAIRS
EASTERN EUROPE

Romanian Ambassador to China Angelo Miculescu briefed the Chinese workers on the brilliant course of the Romanian revolution and Romania's tremendous achievements at all fronts. Both Zhang Youfu and the ambassador warmly praised the close friendship between the two parties, two countries and the two peoples of China and Romania and pledged to strive for developing the friendship of the two peoples.

The Romanian comrades listened to a report on production given by Ma Xiuyun, secretary of the party committee of the mill and visited various workshops.

FURTHER COVERAGE OF HUNGARY'S MARJAI IN PRC

Meets Chen Muhua

OW240750 Beijing XINHUA in English 0740 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Chinese State Councillor and Minister of Foreign Economic Relations and Trade Chen Muhua had a cordial conversation here today with visiting Hungarian Vice-Premier Jozsef Marjai and his party. Chen Muhua told Marjai that she was very grateful to the Hungarian Government for according her a warm reception during her visit to Hungary two months ago. She and Marjai expressed the hope that economic relations between China and Hungary would develop continuously. After the meeting Chen Muhua hosted a luncheon in honor of the Hungarian visitors.

Meets Zhao Ziyang

OW241526 Beijing XINHUA in English 1456 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that the Chinese Government greatly cherishes the traditional friendship between China and Hungary, and wishes to continue efforts in developing the friendly relations and cooperation between the two countries and peoples. Zhao said this at a meeting with Jozsef Marjai, the visiting Hungarian vice-president of the Council of Ministers and chairman of the Government Economic Commission, here this afternoon at Zhongnanhai, the seat of the Chinese Government.

4. Zhao described Marjai's China visit as an important event in Sino-Hungarian relations. He said the visit has raised the contacts between leaders of the two countries to a new level, is conducive to the promotion of mutual understanding and adds a new momentum to the friendly relations and cooperation between the two countries. Ties of economy, trade, science, technology, culture and sports between China and Hungary have been restored and developed, the Chinese premier said. "This is the result of efforts by both sides. We are very glad to see this."

Zhao expressed his hope to have an all-round restoration and development of the bilateral relations, particularly in economic and technical cooperation, which has great potential.

Zhao gave Marjai an introduction to China's policy of opening to the outside world and reform of the economic system. He said that China follows closely the achievements in Hungary's socialist construction and her experience in reforming the economic system. He hoped the Hungarian people would score greater achievements in socialist construction.

I. 27 Aug 84

H 5

PRC INTERNATIONAL AFFAIRS
EASTERN EUROPE

Marjai said that he had exchanged views with his Chinese counterparts during his current visit on developing relations, especially economic and technical cooperation, between the two countries. The talks he had with the Chinese side have laid a good foundation for the further development of relations between the two countries. "We are satisfied with this," he said.

Present at the meeting were Chinese Vice-Foreign Minister Qian Qichen, Vice-Minister of the State Economic Commission Zhu Rongji and Hungarian Ambassador to China Laslo Ivan.

Meets Yao Yilin

OW251035 Beijing XINHUA in English 0849 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Hungarian Vice-Premier Jozsef Marjai left here for a tour of Xian, Chongqing, Shanghai and Wuxi after concluding his official activities in Beijing during the last five days. Chinese Vice-Premier Li Peng went to the Diaoyutai State Guesthouse to bid him farewell.

Earlier today, Marjai had a cordial conversation on matters of mutual interest with Yao Yilin, alternate member of the Political Bureau of the Chinese Communist Party Central Committee, member of the Central Committee's Secretariat and vice-premier of the State Council.

AUSTRALIAN SENATOR COMMENTS ON TRADE WITH PRC

OW251034 Beijing XINHUA in English 0639 GMT 25 Aug 84

[Text] Canberra, August 25 (XINHUA) -- An Australian Senate committee report on Australia-China trade said that Australia should make every effort to increase trade ties with China because "China could become one of the most important markets for Australian goods and services by the year 2000." Releasing the report Thursday, Senator Ruth Coleman, chairwoman of the Senate Standing Committee on Industry and Trade, said: "Because of the significant potential of that market, Australia could not afford to sit back and wait for it to happen."

Coleman's committee released its report after more than one year's research and public inquiry on economic relations between Australia and China. Coleman said: "There is already a widespread belief in both the public and private sectors that China is very keen to do business with Australia." The Australian Government and the private sector should "work with resolve and dedication in a spirit of cooperation and trust" to develop economic ties with China, she added.

Coleman stressed that Australia must "consolidate its position in the (Chinese) market and be willing to modify that position as circumstances change." "There is far greater potential to be realized from developing stronger trade and investment links with the People's Republic of China," she said.

KUWAITI OFFICIAL VISITS CHINESE LEADERS

Meeting With Zhao Ziyang

OW241453 Beijing XINHUA in English 1436 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- China hopes the efforts by organizations and countries concerned, including Kuwait, in mediating in the Iran-Iraq conflict will achieve progress. This remark was made by Chinese Premier Zhao Ziyang at a meeting with a delegation from the National Assembly of the State of Kuwait here today at Zhongnanhai, the seat of the Chinese Government.

The delegation, led by Speaker Muhammad Yusuf al-'Adasani, is on a six-day visit to China.

Zhao said that the main source of the instability in the Gulf region lies in the direct or indirect contention between the two superpowers. Both Iran and Iraq have friendly ties with China, the Chinese premier said. "We sincerely hope the Iran-Iraq war will soon be over."

Al-'Adasani, gave a briefing on the Gulf situation, especially the Iran-Iraq war. He hoped that all countries would help promote stability in the region.

During the friendly conversation Zhao spoke highly of the Kuwaiti Government and people who have won great achievements in safeguarding national independence, developing their national economy and improving their standard of living. He said that the Kuwaiti Government has made great efforts in defending the unity of the Arab countries and stability in the Gulf region, and supporting the just cause of the Afghan people and those of Kampuchea, as well as South-South cooperation. Its efforts have been admired and praised the world over, he said. Speaking of the bilateral relations, Zhao said the ties between the two countries have developed very well since diplomatic relations were established in 1971. Zhao explained that China has adopted a policy of opening to the outside world. "The door of China's economic cooperation is open to Kuwait and other Gulf countries," the premier said.

Al-'Adasani said Kuwait hopes to further develop cooperation in the economic and other fields.

Zhao asked Al-'Adasani to convey the best regards of President Li Xiannian, other Chinese leaders and his own to Amir Shaykh Jabir al-Ahmad as-Sabah, ruler of Kuwait, the heir apparent, and Prime Minister Shaykh Sa'd al-'Abdallah as-Salim as-Sabah. He also extended an invitation to the prime minister to visit China.

Present at the meeting were member of the Standing Committee of the National People's Congress Gu Dachun, Deputy Secretary General of the NPC Standing Committee Wang Houde and Kuwaiti Ambassador to China Haj 'Abd-al-hadi al-Mahmid.

Welcomed by Ulanhu

OW251622 Beijing XINHUA in English 1605 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Chinese Vice-President Ulanhu met a delegation from the National Assembly of the State of Kuwait, headed by Speaker Mohammad Yusuf al-'Adasani, at the Great Hall of the People here today.

Ulanhu first extended a welcome to the delegation on behalf of the People's Republic of China, the Chinese people and President Li Xiannian, who is now visiting Romania. He again extended an invitation from President Li to Amir Shaykh Jabir al-Ahmad as-Sabah, ruler of Kuwait, to visit China.

Ulanhu expressed satisfaction over the development of Sino-Kuwaiti friendly relations, and hoped the two countries would not only further relations between their governments but also strengthen contacts and cooperation between their peoples. He also hoped the two countries would make up each other's deficiencies and progress together.

Al-'Adasani conveyed regards and best wishes from the amir to President Li and other Chinese leaders. He said the contacts between the two parliaments have built a bridge for cooperation between the two countries.

Present at the meeting were member of the Standing Committee of the National People's Congress Gu Dachun, deputy secretary general of the NPC Standing Committee Wang Houde and Kuwaiti Ambassador to China Haj 'Abd al-Hadi al-Mahmid.

Talks With Wang Renzhong

OW251039 Beijing XINHUA in English 0830 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Wang Renzhong, vice-chairman of the Standing Committee of the Chinese National People's Congress (NPC), held talks with a delegation from the National Assembly of the State of Kuwait here today. The delegation is led by Speaker of the Assembly Mohammad Yusuf al-'Adasani.

During the talks which proceeded in a sincere and friendly atmosphere, the two sides informed each other of economic progresses in their countries and discussed on the situation in the Middle-East and the Gulf area, on bilateral relations, and on questions of common concern. The two sides had identical or similar views on many issues. They also expressed the desire to further strengthen the contacts between the NPC and the National Assembly.

Present at the talks were NPC Standing Committee members He Ying, Gu Dachun, Gu Gengyu and Lei Jieqiong as well as Wang Houde, deputy secretary-general of the Standing Committee.

Gulf Discussed with Peng Zhen

OW251037 Beijing XINHUA in English 0821 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Peng Zhen, chairman of China's National People's Congress Standing Committee, said here today that peace and security in the Gulf area concerned the peace and security of the Third World and the world as a whole.

Talking with a delegation from the National Assembly of the State of Kuwait led by Speaker Mohammed Yusuf al-'Adasani, Peng said that the Gulf area was one of those regions where imperialists and hegemonists were making trouble. The situation there was one of touch-and-go.

However, the chairman said, so long as the Arab countries, the Third-World countries and all peace-loving countries and peoples in the world got united in a common struggle against hegemonist aggression and expansion, a new war could be prevented or at least delayed.

He said the Chinese National People's Congress, the Chinese Government and people admired and appreciated the efforts and contributions made by Kuwait to safeguarding peace in the Middle East and the Gulf area, the unity of the Arab countries and the Third-World countries and world peace. "We are satisfied with the relations between our two countries which are good, especially with their development in recent years," he said.

Peng said that China advocated equality for all countries, big or small, rich or poor. The Five Principles of Peaceful Coexistence were the norms of handling relations among states. China's policy of opening to the rest of the world was also based on these principles.

Speaker al-'Adasani expressed appreciation for China's achievements in industry and agriculture. He said there were many areas for cooperation between the two countries waiting to be explored. Kuwait stood for the development of economic cooperation among Third-World countries in order to break the monopoly and domination by the superpowers of the world economy. A powerful China would play an important role in promoting the unity and cooperation among the Third-World countries.

Present at the meeting were Wang Renzhong, vice-chairman of the NPC Standing Committee, and Haj 'Abd al-Hadi al-Mahmid, Kuwait ambassador to China. After the meeting, Peng Zhen gave a luncheon for the guests.

Return Banquet

OW251624 Beijing XINHUA in English 1611 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Mohammad Yusuf al-'Adasani, speaker of the National Assembly of the State of Kuwait and head of a visiting delegation from the assembly, gave a return banquet here this evening at the Great Hall of the People.

In his toast, Al-'Adasani said that the delegation sets a high value on and is very satisfied with the meetings and exchanges of views with the chairman, vice-chairman, and members of the Standing Committee of the Chinese National People's Congress.

Wang Renzhong, vice-chairman of the NPC Standing Committee, said in his toast that the contacts in the past few days have promoted mutual understanding and friendship between the two sides.

The delegation will leave here tomorrow for Shanghai, and Shenzhen, one of China's special economic zones.

EDITORIAL URGES RECRUITING YOUNG CPC MEMBERS

HK270835 Beijing RENMIN RIBAO in Chinese 27 Aug 84 p 1

[Editorial: "Bring Large Numbers of Advanced Young People Into the Party"]

[Text] There have been several changes in CPC total membership since its founding. It is understandable that there were big declines in party membership after the KMT reactionaries turned against the CPC in 1927 and after the First, Second, and Fourth Front Armies completed the Long March in 1935 and 1936. After the war of resistance against Japan started, despite the fact that the enemy puppets and KMT reactionaries (from 1939 onwards) continually savagely slaughtered CPC members and other revolutionary masses, the revolutionary masses, especially revolutionary youth, actively continued to join the CPC, with the result that by the time of the seventh party congress in 1945, party membership had risen to 1.21 million, and by 1949 the number had risen to 4,488,000. Similarly, in the 30 years and more since the founding of the state, party membership has grown each year despite the havoc wrought by the 10 years of internal disorder. Party membership in 1976 numbered 35.78 million, and by 1983 the figure had increased to 40.95 million, representing about 5 percent of the total population. Party membership has increased rapidly in the 7 years since the smashing of the "gang of four," which shows that the party's prestige among the masses is gradually reviving. The party is worthy to be called the core of unity of the people of all nationalities throughout the country. It is the backbone force leading the masses to create a new situation in socialism.

However, there are also some points that require attention in the course of continual growth in party membership. For instance, there are relatively few female, minority nationalities and intellectual party members, and it is necessary to seriously eliminate "leftist" ideology and make efforts to increase the party membership of these sectors. We will talk here only about the problem of the excessively low proportion of party members under 25 years of age. Due to the aging of party members, plus the fact that the majority of party organizations (except for those in the PLA) have failed to attach sufficient importance to recruiting young party members, the percentage of party members under 25 actually fell from 26.6 in 1950 to 3.34 in 1983. According to statistics from the Shanghai area, this percentage in 1983 was only 2.25. According to statistics from the old revolutionary base of Zunhua County in Hebei Province, the percentage was only 1.36. These shocking figures cannot but arouse a high degree of urgent attention from the whole party. It is also essential to take concrete steps to reverse this current unfavorable situation as quickly as possible.

Why is the proportion of young party members so low? Is it because advanced young people perhaps do not want to join the party? This is certainly not the case! As everyone knows, the ideology of young people of all nationalities in the country has made notable progress in recent years, and large numbers of advanced young people and advanced youth collectives have emerged. They have made countless applications for party membership, but the number of advanced young people able to join the party remains very small. Apart from the objective reason that the responsible comrades of very many party organizations are too busy with routine work, they are, subjectively, often unconcerned about the demands for progressive young people to join the party. This is the main reason why the proportion of young party members is currently too low.

According to initial analysis, there are at least four kinds of mentality hampering responsible persons of very many party organizations from attaching importance to this question. First, they have not fully understood that this is a major issue related to the party's life.

They can only see that there are already many party members, and apart from recruiting into the party, at the Central Committee's repeated urging, a number of renowned old and middle-aged intellectuals (and there is still much obstruction from "leftist" ideological influences on this question; we will say no more on this here), they lack sufficient understanding of the great importance of recruiting young party members. Advanced young people represent the future of the state and the future of the party. In reducing the average age of the cadres, it is also necessary to reduce the average age of the party as a whole. In this way there will be a large, not a strained, source of young cadres. Advanced young people today have greater knowledge and are also less influenced by old conventions. They have the greatest enthusiasm and creativity for building a China that has socialist modernization and for carrying out reforms along the road of construction. Recruiting them into the party will not only ensure that the body of the party is continually replenished with new blood, but will also provide the party with a new and important motivating force in the onward advance of its cause. This must not be neglected at any time.

Second, the responsible persons of many party organizations often set excessive demands on advanced young people and then assert that they do not meet the criteria for party membership. Young people have the superior points mentioned above. Of course, it is inevitable that they also have shortcomings, the first being that they lack experience in practical work and are thus prone to take a one-sided and oversimplified view of many matters. However, who did not have such shortcomings during his youth? Did not the Chinese revolution and the CPC basically develop from young people like this? Unless they are recruited into the party, how can they grasp and accumulate experiences in party work? As for the shortcomings in their thinking, this is mainly a question of education and is something that adult party members also can hardly avoid. We should therefore refrain all the more from setting excessive demands on young comrades.

Third, responsible persons of many party organizations are always assigning excessively heavy tasks to young party members (this phenomenon is in itself all the more serious because the number of young party members is too small), with the result that some advanced young people feel a kind of mental pressure with regard to joining the party. Young members who have not been in the party long are always having to shoulder very many complex tasks. They have to attend many meetings and do a lot of work that they feel is difficult. In this way some advanced young people are afraid that joining the party will hamper them in laboring more and in mastering more knowledge, technology, and professional skills. This too is a practical problem. Party organizations must make allowances for young people new to the party and encourage them to devote themselves to study and work. They must pay attention to giving them suitable work assignments, and in particular they should not have to attend too many meetings -- old party members should not hold too many meetings.

Fourth, responsible persons of many party organizations often fail to attach importance to leadership over the work of the CYL or to first recruit party members from among outstanding CYL members. The party Constitution stipulates: "The CYL is a mass organization of advanced young people under the leadership of the CPC. It is a school where young people can learn communism in practice. It is the party's helping hand and reserve force." However, many party organizations forget these words. They very seldom discuss how to strengthen the work of the CYL, how to carry out education in communism for CYL members, and how to strengthen basic knowledge of the party for CYL members and other young people by means of the CYL organizations, and to facilitate the work of the CYL organizations in actively recommending for party membership CYL members and other young people who meet the criteria.

At present very few CYL members are members of the CPC, and in some places very few of the CYL branch secretaries are party members. Even if they are, certain party organizations often fail to act according to party Constitution provisions and allow them to attend as observers at the meetings and standing committee meetings of party committees at the county level and below. This weakens an important channel for recruiting advanced young people into the party.

Of course, some party organizations do attach importance to recruiting advanced young people into the party. They actively organize lecture classes on party knowledge and invite the participation of advanced young people, with the result that quite a number of advanced young people join the party organizations. However, it should be acknowledged that not enough party organizations act in this way. We urgently hope that the whole party will seriously attach importance to this problem and resolve it, to enable large numbers of advanced young people who meet the criteria to continually stream into the party's combat ranks and to enable the party organization to be continually replenished with new blood. This is a long-term task, not something to be done in the manner of a surprise attack. However, it is all the more anniversary of the founding of the state, at a time when party rectification has been in progress for a year and the pace of urban reforms is being speeded up.

COMMENTATOR ON HIGH DEMANDS FOR RECTIFICATION

HK241324 Beijing LIAOWANG in Chinese No 32, 6 Aug 84 p 1

[Commentator's article: "An Important Step for High-Standard Party Rectification"]

[Text] At present, the first group of units to undergo party rectification is smoothly carrying out comparison and examination, and most of the units have basically accomplished their tasks in this respect. In accordance with Circular No 9 issued by the Central Commission for Guiding Party Rectification on 30 June, all units to undergo party rectification must spend several months making corrections after they have basically completed comparing and examining the results of party rectification. This is an important step in achieving high-standard party rectification and in ensuring that party rectification is not carried out perfunctorily.

Alloting a period of time in the course of party rectification to grasp the main problems of each locality, department, and unit and to concentrate efforts to earnestly resolve them conforms entirely to the developing needs of party rectification work itself. This is necessary, because although a number of problems have been settled during the stage of comparison and examination, which emphasized the need of making corrections while rectifying party organizations, some problems have not been settled thoroughly and some problems have not been settled at all; therefore, the task of making corrections while rectifying party organizations is still formidable. Furthermore, preparation for the stage of taking organizational measures toward party members has not yet been fully made, and whether party members have improved themselves in party rectification is still not noticeable from their deeds. This calls for corrective measures while continuing to rectify party organizations for some time to come to make sure that actual results are achieved in party rectification and that preparations are made for taking organizational measures toward party members.

What are the main tasks of carrying out simultaneous rectification and correction of defects? Circular No 9 issued by the Central Committee for Guiding Party Rectification has clearly pointed out that proceeding from the general objective of achieving the magnificent goal of quadrupling the total value of the nation's annual industrial and agricultural output by the end of this century, the goal advanced by the 12th CPC National Congress, and building our country into a modern, highly civilized and highly democratic socialist country, and on the basis of comparing and examining the results of party rectification, the main tasks for the period of carrying out simultaneous rectification and correction of defects are:

To continue to adhere to the correct guiding ideology for our work; to effectively eradicate all factionalist ideas left over from the "Cultural Revolution" and enhance our party spirit; to thoroughly investigate and handle the serious bureaucratic attitude that has brought the state grave economic and political harm, and the problem of abusing power to seek personal gain; and to earnestly resolve all major problems within our leading groups.

The task in these four respects is to emphasize carrying out simultaneous rectification and correction of defects as well as the major requirements and principal criteria for examining the results of work in this regard. The purpose is to settle the major problems existing in the fields of ideology, work style, organization, and discipline within the party; to further improve the ideological and professional work level of the whole party; to remove the obstacles hindering economic development and various reforms carried out at present; and to effectively use party rectification to promote reform, economic construction, and all other fields of work. Centered closely on these major tasks and requirements and in light of their actual situation, the units and departments in all localities that are to undergo party rectification should actively do their work well at this stage.

As far as the leading organs and leading cadres are concerned, the most important point in the tasks of the four respects is to adhere to the correct guiding ideology for the work of their groups and departments in accordance with the CPC Central Committee's line, principles, and fundamental policies. Particularly noteworthy in this respect is the need to further emancipate one's mind; to do away with the influence of "leftist" ideas; to combat outmoded, conventional ideas and ways of doing things; to adhere to the principle of seeking truth from facts; to carry forward the revolutionary spirit of working courageously to accomplish greater successes and bring new ideas; and to earnestly review the various regulations, rules, and measures of their regions and departments to ensure that they can meet the needs of the party's general tasks and objectives. We must also be aware that the influence of "left" deviation is still the main obstacle to economic development and the various reforms carried out at present. Only by thoroughly eliminating the ideological influence of "left" deviation and totally negating the "Great Cultural Revolution" can we ensure implementing the CPC Central Committee's correct line; integrate the line, principles, and policies of the CPC Central Committee with the concrete conditions of each locality, department, and unit; give full play to their initiative and enthusiasm; and encourage them to conscientiously and independently do their work.

During the stage of making corrections while carrying out party rectification, it is imperative to earnestly investigate and handle issues characterized by a serious bureaucratic attitude that have brought the state grave economic and political harm, and issues of abusing power for the sake of seeking personal gain. We should never be indulgent toward these problems. All major cases, regardless of who is involved, must be investigated and handled seriously. Those who continue to practice irregularities and continue to commit mistakes during the course of party rectification must be handled even more strictly. "During the stage of rectifying party organizations and making corrections, the responsibility of party committees and leading party groups as well as of their principal leading members must be investigated if they still refuse to handle problems characterized by a serious bureaucratic attitude or by abusing power for the sake of seeking personal gains, even though they are aware that these problems actually exist in their respective departments or units."

It is an important task during the stage of rectifying party organizations and making corrections to earnestly resolve the major problems existing in the leading bodies. At present, factionalism is running wild, discipline is lax, and liberalism and anarchism are serious in some units. This is mainly because the leading bodies there are weak and slack and have not concentrated their efforts on instituting reform and carrying out the four modernizations.

Some leading cadres are slack and satisfied with the current state of affairs. They lack the spirit of forging ahead and blazing new trails. Consequently, some units failed to open up a new phase in work for a long time. We must take organizational measures and rapidly and resolutely reorganize or readjust these leading bodies if they fail to make any improvement after giving them help and education. We must resolutely promote to various leading posts those middle-aged and young cadres who adhere to the correct ideological and political line, have a strong party spirit, are knowledgeable, have organizational and leading capability, and dare to bring forth new ideas.

During the stage of making corrections while carrying out party rectification, it is necessary to step up efforts to weed out the "people of three categories" and to be well prepared for the work of the next stage: taking organizational measures toward party members.

It is the eager aspiration of the whole party and nation to uphold high standards in party rectification. It is an important step for upholding high standards in party rectification to concentrate several months' efforts to carry out simultaneous rectification and correction of defects. Comrades of the whole party must realize the historical mission they are shouldering, make successes in carrying out simultaneous rectification and correction of defects, accomplish the task of party rectification with high standards, and build our party into a firm core of leadership of the socialist modernization cause.

NANKAI UNIVERSITY: FACTIONALIST NEGATION KEY TASK

HK270550 Beijing RENMIN RIBAO in Chinese 21 Aug 84 p 1

[Report by Xiao Di: "Nankai University Party Committee Concentrates on Negating the Two Factions as a Central Task for Negating the Cultural Revolution"]

[Text] In party rectification study, the Nankai University CPC Committee has grasped negating the two factions as the central link for thoroughly negating the "Cultural Revolution," cleared the misunderstanding between the two factions existing for many years, and opened up a situation for ferreting out "people of three categories," which has led to the excellent situation of the entire university in promoting reforms in unity.

During the 10 years of internal disorder, the two factions in Nankai University engaged in so-called activities of seizing the "renegades," which brought calamity to the whole country. Even to this day, the interference of factionalism is evident at times. Since party rectification study began this year, members of the university party committee Standing Committee have made thorough negation of the "Cultural Revolution" the cardinal topic for the unification of ideology, while at a general party member meeting of the whole university, the responsible comrade of the party committee made a serious statement that the two factions at that time had both persecuted veteran cadres and intellectuals, and both had engaged in beating, smashing, and looting. The question of "which faction was good and which was bad" does not exist, for both factions were wrong and should be thoroughly negated. The university party committee also required that thoroughly negating the "Cultural Revolution" and two factions should be listed as the priority item in the comparison and examination of every party member.

The seriousness of the university CPC Committee Standing Committee members in taking the lead in eradicating factionalism, and their explicit view on thoroughly negating the two factions, have deeply moved some party members who have borne a grudge. A party member who had long seen things from a factional viewpoint reported to the party organization a problem he had withheld for 5 years.

In the course of discussions, some participants in "rebellion" recalled the bitter fact that as members of their own factional organizations they had gone to all parts of the country to seize "renegades," causing the cruel persecution of many veteran cadres. Now they feel deeply remorseful about this. They examined their factional views and one by one revealed the truth about that time. Guiding action adroitly according to circumstances, the university CPC Committee has recently clarified the origin and development of the so-called seizing of "renegades." By gathering clues and large amounts of evidence provided by everyone, it has attained solid evidence of the person to be held responsible for the frameups.

Thorough negation of the "Cultural Revolution" and weeding out "leftist" influences have paved the way for enhancing unity and promoting reforms. In the past, whenever there was an incident of cadre transfer, upgrading, promotion, recruiting new PLA members, or appraisal of model workers, there would be endless disputes among some comrades who proceeded from their factional views. Whenever school authorities proposed some reform measures, there would be great resistance and actions were slow. Now this condition has changed somewhat. Learning from the experiences of the Shanghai Jiaotong University, the Nankai University CPC Committee has stepped up its pace in the reform of administration and teaching. They are prompt in action and carry out strict enforcement of orders and prohibitions in transferring cadres and implementing reform measures. Now the personal responsibility system and the teaching-scientific research combined bodies have both been smoothly put on a sound basis.

COAL MINISTER ON NEGATING CULTURAL REVOLUTION

HK270614 Beijing GUANGMING RIBAO in Chinese 15 Aug 84 p 1

[Report by Li Jiajie: "Party Group of Coal Ministry Carries Out Education on Thoroughly Negating 'Cultural Revolution'"]

[Text] At a general party member meeting of the Ministry of Coal Industry and offices directly under the ministry in Beijing, held on 13 August, secretary of the party group of the ministry and Minister Gao Yangwen said that through unfolding education in thoroughly negating the "Cultural Revolution," party members who are cadres of the offices under the Ministry of Coal Industry have undergone the following changes in their ideological understanding:

-- Some people used to hold the view that the aim of the "Cultural Revolution" was to "fight and guard against revisionism," hence it was necessary, and that the problem lay in the bad effects. They have now come to understand that the "Cultural Revolution" was an internal disorder brought about by a leading member who erroneously initiated it, used by counterrevolutionary cliques, and bringing grave disaster to the party, the state, and the people. They have come to the conclusion that the "Cultural Revolution" must be thoroughly negated.

-- Some people held the view that the "Cultural Revolution" could not be regarded as worthless because the law of "one divides into two" should be applied to all things. Now they have come to understand that regarding the method of "one divides into two," specific analysis should be made in view of the differing nature of things. Concerning the "Cultural Revolution," the method of "one divides into two" can only be understood in the sense that a bad thing can be transformed into a good thing.

-- Some people who used to look at the "Cultural Revolution" from a factional point of view, and who used to believe that one faction was right and the other wrong, have now come to understand all rebel organizations came into being and carried out their activities under the erroneous theoretical guidance of the "Cultural Revolution"; hence, they were all erroneous; and one cannot speak of correctness in the factional activities brought about by the "Cultural Revolution."

-- Some people who were persecuted during the "Cultural Revolution" used to draw a demarcation line between those who "had protected" them and those who "had opposed" them in determining who were "close" to them or otherwise. Now they see, from verifying the facts about the "people of three categories," that all rebel organizations during the "Cultural Revolution" attacked leading cadres at all levels in the name of overthrowing the "capitalist roaders." "Royalist" organizations, which refrained from rebellion, did not exist at that time. They have come to understand that it was entirely wrong to "draw a demarcation line with oneself as the center" in the past.

-- Some people who had all along been attacked during the "Cultural Revolution" thought they were less affected by it. Now they have come to understand that being attacked during the "Cultural Revolution" does not mean they were not affected by "leftist" erroneous influences, and does not mean that they have no need to eliminate the "leftist" influences in their minds.

-- Some people regarded the mistakes they had committed during the "Cultural Revolution" as things done "in obedience to the organization" and "having acted under order," and would refuse to admit their mistakes. Now they have come to understand that their "actions under order" and "obedience" proved that they accepted "leftist" practice. Only when they eliminate the "leftist" influences in earnest will they be able to avoid repeating the same mistakes in the future.

Gao Yangwen said: The Ministry of Coal Industry has regarded education in thoroughly negating the "Cultural Revolution" as an important content of party rectification, which began in late June. Education has strengthened unity within the ministry offices, and has advanced the unfolding of party rectification in depth.

HU QILI, TIAN JIYUN CONTINUE INSPECTION TOUR

Visit Damxung County

OW250513 Beijing XINHUA Domestic Service in Chinese 1304 GMT 24 Aug 84

[Text] Lhasa, 24 Aug (XINHUA) -- Hu Qili, a member of the Secretariat of the CPC Central Committee, and Vice Premier Tian Jiyun visited Damxung County in a pastoral area in northern Xizang yesterday. They pointed out during the visit: Xizang's animal husbandry production should be developed according to actual conditions, and in accord with the wishes of the herdsmen. The long-term policy is to distribute livestock among the households, let the herdsmen undertake livestock breeding independently, own what they raise, and help them achieve prosperity as soon as possible. Hu Qili told the cadres of the county party committee that this policy should be made known to the herdsmen, so that they have no worries.

Hu Qili, Tian Jiyun, and the party and government leaders of the Xizang Autonomous Region Yin Fatang, Pagbalha Geleg Namgya, Redi and Ducjiecaidan were briefed by Sengqen Lozong Gyaincain, secretary of the Damxung County party committee, on the county's development in livestock breeding. They also visited paddocks, called on herdsmen's families, and watched Tibetan herdsmen's traditional horse races and archery demonstrations.

In the house of Tubdain, a Tibetan herdsmen, Hu Qili and Tian Jiyun chatted cordially with the host. During democratic reform, Tubdain was allocated 24 head of livestock, but his holding was reduced to 6 head after the commune was formed. Since distribution of livestock among households in 1983, his family has had 40 head of cattle, and more than 140 sheep. After ascertaining this, Tian Jiyun said: This proves that the old practice cannot develop production.

Production will be developed if the peasants and herdsmen are given the power of decision in production and operation. Cadres at all levels should emancipate their minds without reservation. It is particularly necessary to ensure a completely open and free trade in animal products in Xizang. Only open trade can enliven the economy, and only an enlivened economy can make people well-to-do.

During a visit with Cedo, an old herdsman, Hu Qili asked him: "Are you happy that the livestock has been distributed among households?" Tightly holding Hu's hand, Cedo said: "Very happy, very happy!" Hu Qili added: "Beijing is far away, but the hearts of Beijing, Lhasa, and you are linked. The Tibetan nationality, the Han nationality, and all other fraternal nationalities should achieve a great unity, undertake production well, with one heart and one mind, and achieve prosperity as soon as possible." Tian Jiyun said: "You are the flesh and blood of the motherland. The party Central Committee and the State Council are constantly concerned about you. At the same time, they believe that, under the leadership of the autonomous regional party committee and government, your life will daily become better." Concerned about old people suffering from arthritis in the Damxung pastoral area, Hu Qili said to Wu Wenchun, a deputy secretary of the county party committee: "As you are from Beijing, you know how to build heatable brick beds. Why don't you build several kang in your house, and then popularize them among the people? Kangs will reduce the number of arthritics."

Visit Lhasa Monasteries

HK270432 Lhasa Xizang Regional Service in Chinese 1130 GMT 25 Aug 84

[Text] Hu Qili, member of the CPC Central Committee Secretariat, and Tian Jiyun, vice premier of the State Council, visited (Dazhao) Temple, Potala Palace, Zhebung Temple, (Luobulingka), and other well-known temples and cultural relics in Lhasa on 24 August. During their visit, they told the comrades who accompanied them to do a good job in maintaining and protecting these temples and cultural relics, and to firmly implement the party's policy of freedom of religion, so as to give full play to the initiative of the religious circles and enable them to make concerted efforts to develop the fertile and beautiful Xizang.

Minister of Commerce Liu Yi, Zhao Weichen, deputy head of the consultative group for economic work in the Xizang region under the State Council and vice minister of the State Economic Commission, and others accompanied Comrade Hu Qili and Tian Jiyun on their visit. Party and government leading comrades of the Xizang region and Lhasa City, including Pagbalha Geleg Namgya, Redi, Jipu Pingcuocideng, (Yang Youcai), and Dainba Gyaincain, also accompanied Comrades Hu Qili and Tian Jiyun on their visit.

The temples in our region are world-renowned for their magnificence, grandeur, and superb building technique. When Comrades Hu Qili and Tian Jiyun arrived at (Dazhao) Temple, (Zesang Pingcuo), vice chairman of the civil administrative committee of (Dazhao) Temple and a [word indistinct] degree holder, wearing a red gown, stepped forward to greet the two guests and presented them with hata. Comrades Hu Qili and Tian Jiyun carefully inspected every Buddhist shrine and showed their high appreciation for the cultural and artistic treasury the Tibetan people have built with labor and wisdom. Comrades Hu Qili and Tian Jiyun also climbed to the top of Potala Palace to get a bird's-eye view of Lhasa.

During their visit they particularly inquired about protecting and maintaining palace work and about the cause of a recent fire at the (Qiangba) Buddhist shrine. The two comrades said that all worn electric wire must be changed. Some people must be assigned to be in charge of this work and the regular maintenance of the wiring network.

Potala Palace is not only the treasured cultural heritage of our Tibetan people, but also an important part of the magnificent cultural heritage of the Chinese nation. We must make every effort to protect it. When visiting (Zhebung) Temple, Comrades Hu Qili and Tian Jiyun carefully inquired about the religious activities and the daily life of the monks at the temple. They cordially encouraged the monks of the temple to make their contribution to building a new Xizang. Comrades Hu Qili and Tian Jiyun highly admired the art of building and wall painting of (Luobulingka). They expressed their hope that such brilliant art and techniques would be carried forward.

Further Details

OW262114 Beijing XINHUA in English 1603 GMT 26 Aug 84

[Text] Lhasa, August 26 (XINHUA) -- Earnest efforts should be made to protect monasteries and other ancient sites in Tibet and the policy of religious freedom firmly carried out. This was emphasized by Hu Qili, member of the Secretariat of the Central Committee of the Chinese Communist Party, and Tian Jiyun, vice-premier, while they visited the Potala Palace, Zhebung Monastery and other places in Lhasa on Friday. Hu Qili and Tian Jiyun arrived here on August 19 on a study tour.

Impressed by the architectural style and exquisite carvings and murals, Hu Qili took many pictures during the visits, saying such superb traditional culture and art were rarely seen in the world. At the Potala Palace, Tian Jiyun discussed fire prevention measures with leaders of the departments concerned. While at Zhebung, the largest monastery in Lhasa, Hu Qili and Tian Jiyun talked with lamas and asked them about their religious services. They urged them to contribute to the construction of Tibet.

They also visited the 1,300-year-old Qoikang Temple and Norbu Lingka Park. They were accompanied by Pagbalha Geleg Namgya, a living buddha and vice-chairman of the National Committee of the Chinese People's Political Consultative Conference and of the Standing Committee of the Tibet Autonomous Regional People's Congress.

During the visits, Hu Qili and Tian Jiyun repeatedly stressed the need to give full play to the initiative of the religious people for the building of a new Tibet and to preserve and develop the Tibetan painting art and architecture. They met prominent Tibetan public figures yesterday.

Speaking on behalf of the CPC Central Committee, Hu Qili wished good luck to those gathered at the meeting hall, using a Tibetan phrase he had learned since his arrival in Lhasa. Present on the occasion were Tibetans from the regional committee of the C.P.P.C.C., the Tibet branch of the national Buddhist Association and the Standing Committee of the regional people's congress. Yin Fatang, first secretary of the Tibet regional committee of the Chinese Communist Party, accompanied Hu Qili and Tian Jiyun in attending the meeting.

Hu Qili said that many Tibetans present shared weal and woe with the CPC over the past decades and made contributions to the liberation and building of Tibet. "The Tibetan people will never forget you and the people all over the country are grateful to you," he said.

Losang Gyaincain, vice-president of the Tibetan branch of the Buddhist Association, said that a large amount of gold and copper was needed to repair local monasteries. Tian Jiyun promised to help solve the problem after returning to Beijing.

Visit PLA Units, Cadres

HK270207 Lhasa Xizang Regional Service in Mandarin 1130 GMT 26 Aug 84

[Excerpts] On the morning of 25 August, Hu Qili, member of the CPC Central Committee Secretariat, and Tian Jiyun, vice premier of the State Council, visited cadres at and above divisional level of Xizang Military District units stationed in Lhasa, and responsible comrades of the Lhasa City CPC Committee, the regional People's Congress Standing Committee, and the regional CPPCC. They were given a warm welcome everywhere they went.

Accompanied by Yin Fatang and Song Ziyuan, Minister of Commerce Liu Yi, and State Economic Commission Vice Chairman Zhao Weichen, comrades Hu Qili and Tian Jiyun arrived at the Xizang Military District headquarters at 0910 to see the cadres at and above divisional level of PLA units stationed in Lhasa. Comrade Hu Qili said: We come to see you today, first to extend regards to the whole body of PLA commanders and fighters defending and building the border area. You comrades guard our southwestern border under conditions of great hardship in the high mountains; you have made extremely important contributions to defending and building the motherland. The CPC Central Committee and the State Council thank you. Comrade Hu Qili also put forward the following hopes on Army building.

1. I hope you will provide further help to Xizang in promoting economic construction.
2. I hope you will do well in promoting joint building of spiritual civilization by Army and people in areas where the PLA units are stationed, and that Army-people unity, Tibetan-Han unity, and the great unity of all nationalities will improve still further.
3. I hope the units will support the building of the border area with brain-power and talent.

For historical reasons, Xizang's economy and culture are backward. There are many talented people in the PLA and there is also a certain degree of production skill and ability. I hope that wherever the PLA goes, it will be able to pass on its knowledge, skill, and ability, organize demonstrations for the masses, and help Tibetan compatriots to promote production and develop the economy.

Comrade Tian Jiyun then said: What Comrade Qili just said fully expresses the concern and hopes of the CPC Central Committee and the State Council regarding you comrades. I extend cordial regards and a lofty salute to the PLA commanders and fighters who, far from their native provinces, have long battled on the Xizang Plateau. In conditions of great hardship on the roof of the world, you will have gained indelible merit in defending the motherland's border. I hope that in the future the PLA units will continue to unite with the party and government at all levels and with the people of all nationalities in Xizang, and make contributions in the common effort to build a flourishing and prosperous new Xizang and defend the borders.

At 1000, Comrades Hu Qili and Tian Jiyun visited the responsible comrades of the Lhasa City CPC Committee, People's Congress Standing Committee, government, and CPPCC. Comrade Hu Qili voiced his hopes on doing a good job of urban construction in Lhasa. He said: I hope you will uphold the principle of opening up to the world and enlivening the domestic economy, to bring about the further prosperity of all of Lhasa. He also expressed hope regarding urban construction in the city. He said: I hope that your urban construction will embody the traditional characteristics of Tibetan culture. Lhasa should have these characteristics and also possess a degree of modernization.

Comrade Tian Jiyun said: After the life of the people of Xizang has been enriched, it should be beautified [words indistinct]. I hope the Tibetan compatriots will all be wearing the beautiful national costume. Their life should be rich and colorful.

At 1030 Comrade Hu Qili and Tian Jiyun arrived at the regional CPPCC hall to visit the responsible comrades of the regional People's Congress Standing Committee, CPPCC, and Buddhist Association gathered there.

Shengqin Luosang Jianzan, vice chairman of the regional People's Congress Standing Committee, said in a speech: Chairman Mao and Premier Zhou were extremely concerned for work in Xizang. Comrades Hu Yaobang and Wan Li came to Xizang in 1980 to guide work. Now Comrades Hu Qili and Tian Jiyun have come to Xizang to investigate and study and guide work. We and the entire Tibetan people are very happy at this. We thank the CPC Central Committee and State Council for their concern. We will work hard to continue to develop the excellent situation and do a still better job of work in Xizang.

ZHAO ZIYANG ON DEVELOPING IRON, STEEL INDUSTRY

OW250920 Beijing XINHUA Domestic Service in Chinese 1311 GMT 24 Aug 84

[Text] Beijing, 24 Aug (XINHUA) -- According to a report by YEJIN BAO [METALLURGICAL NEWS], after hearing reports by leading comrades of the Anshan Iron and Steel Company, Premier Zhao Ziyang made an important speech on 9 July about the development of China's iron and steel industry, in which he discussed, in particular, ways to develop that industry.

Premier Zhao first pointed out the great achievements scored by metallurgical departments in recent years. First, steel output has increased by 10 million metric tons. Second, energy consumption has been decreased considerably. Third, quality has improved and variety increased.

Premier Zhao said: These great achievements have been scored under pressure. I think it is an experience meriting our keen attention. When the construction of the Baoshan iron and steel complex began, we thought it held a vast multitude of resources in various sectors. In retrospect we think it stimulated and enlivened many sectors. That is what we call "poverty giving rise to a desire for change." The crux of the problem is that we ran out of money, could find no way out, and hence were pressured to find a way out by means of technical transformation, tapping potentials, increasing variety, improving quality, and decreasing consumption. It demonstrates the great potentials in our iron and steel industry. By spending the great potentials in our iron and steel industry. By spending a little money to carry out technical transformation at the old enterprises, we were able to achieve quick results and recoup the money invested within a short time.

Premier Zhao emphatically pointed out: It is necessary to rely on the existing enterprises and carry out technical innovation and transformation in enterprises to develop industry. Of course, we must also carry out necessary reconstruction and expansion projects in order to raise continuously the technical level of old enterprises. We cannot just increase the output of old enterprises but must also continuously raise their technical level. It is not good that after building up a new enterprise, we should abandon it and start a new one. For example, in building the Baoshan iron and steel complex, we should not abandon the Anshan Iron and Steel Company, the Panzhihua iron and steel plant, the Taiyuan iron and steel plant, or any other iron and steel plants. We should not abandon the old Baoshan iron and steel complex after 10 years and start to build a new one because the facilities of the old one are outdated. Such a method will not do.

It is necessary to rely on existing enterprises, apply new technology, and continuously carry out technical transformation and innovation in order to retain the vitality of the existing enterprises forever and raise their technical level year after year. By doing so, we have in fact not only raised quality but also increased output. How did we increase output from 30 to 40 million metric tons? The 10 million metric ton increase was achieved on existing foundations.

Premier Zhao further pointed out: Although the sizes of our iron and steel enterprises vary from, for example, the Anshan Iron and Steel Company -- the largest one -- to such small ones as the Tangshan iron and steel plant, the Handan iron and steel plant, the Shui iron and steel plant, and the Xiang iron and steel plant, we have the necessary foundations. We must start from existing enterprises and study how to develop large ones, small ones, and those with good conditions. Carrying out technical innovation and transformation is a way to yield greater, faster, better and more economical results. It is still possible to expand the capacity of even such a big enterprise as the Baoshan iron and steel complex. With the existing foundations, enterprises such as the Panzhihua, Maanshan, Wuhan, Taiyuan, Baotou, and Anshan iron and steel plants should embark on the road of technical transformation in order to raise the technical level and increase output.

Premier Zhao said: We must use the world's advanced technology to update our traditional industry. The iron and steel industry is confronted with a new technological revolution. He said: In general, a major problem in our modernization drive is materials. Where do we get the materials to quadruple the gross value of annual industrial and agricultural output? Of course, we should get them from, first of all, the iron and steel industry. I think that in developing the industry, we can rely on existing foundations in carrying out technical transformation and expansion and reconstruction projects and import some new technologies.

Premier Zhao pointed out: In the past our depreciation rate rate was rather low because we always attached importance to repairing and utilizing discarded items and called for using the equipment of the 1920's and 1930's to produce goods of the 1980's. Of course, there were model examples in this aspect. But in general such an idea lags behind the guiding principle of our times and cannot cope with the needs of the new situation of rapid progress in technology. We must constantly bring forth new ideas and strive to make the new supersede the old.

Premier Zhao also pointed out: In carrying out construction in China, we lack the concept of money in circulation and interest and stress only investment. It is inaccurate to count the cost of a project only in terms of the amount of investment made. For example, a project that requires a 6 billion yuan investment and 10 year construction period actually costs, with interest, 12 billion yuan. If the construction period is shortened to 5 years, then the cost is 9 billion yuan. Money should be seen as circulating, because it is not a static entity. In investment, there is a great difference between when much is produced and when nothing is produced at all in 10 years. In carrying out technical transformation of old enterprises, it seems that a large investment is needed because some facilities have to be dismantled and others updated. However, in reality, technically transforming old enterprises can yield quick results because of its short construction period. In general, it requires less investment but yields greater results.

Touching upon another major problem in developing our iron and steel industry, Premier Zhao pointed out: It is necessary to bring into full play our strong points and avoid our weak points, mainly in ores. In the past, we relied exclusively on ores produced in the country. It was very difficult to develop the iron and steel industry because most of our mines produce poor quality ore and are inconveniently located.

Moreover, we had to start from scratch, from mining to smelting iron and steel and rolling steel, which required big investments and long construction periods. Therefore, the method must be improved because we cannot start from mining and go through everything until the steel is rolled. Some plants, especially those in coastal areas where no mineral ores are located, should be allowed to import ore.

We remain rather isolated compared to the open way of the capitalists abroad. The open way, a phrase heard frequently now -- as opposed to the isolated way -- means to conduct economic and technical cooperation with foreign countries. We will carry out projects that are worthwhile and within our capabilities. Those that are not worthwhile will not be carried out. To import things from abroad is to use other's strong point to supplement our shortcomings. Doing things the other way will enable us to develop the industry quickly and without great difficulty. Otherwise, I think it is going to be very difficult to produce 80 million metric tons of steel before the end of this century. The investment required for mining, coal, coking, transporting, smelting, and rolling the steel is an unknown factor. Besides, the quality of the steel produced in such a process may not be good, because most funds are spent in the early stage of production and little is left to increase output and variety and improve quality.

Consequently, the products can become only popular goods with dependable quality, but cannot pass the test for fine quality steel needed for making equipment. Therefore, plants with good conditions -- mines nearby -- should rely on their own efforts in developing mines. Those without mines should import ore, or even steel ingots, from abroad. What we needs is rolled steel. Then why is it necessary to start from scratch instead of doing things the other way? The isolated way of doing things in the country is just like "cooking a meal without the necessary ingredients." The open way will provide us with the necessary ingredients.

Premier Zhao said: It is necessary to pay attention to two things in developing China's iron and steel industry in recent years. First, it is necessary to carry out technical innovation and transformation in the existing enterprises. Second, it is not necessary to start everything from scratch. We can do things the other way, such as importing ores from smelting steel. The Ministry of Metallurgical Industry should study this method which can yield greater, quicker, better, and more economical results and can make things not as difficult for us to produce 80 million metric tons of steel before the end of this century.

Premier Zhao said: Considering the past few years, it is possible to find new ways to develop the iron and steel industry.

YAO YILIN ON PETROCHEMICAL INDUSTRY GROWTH

OW261524 Beijing XINHUA in English 1433 GMT 26 Aug 84

[Text] Beijing August 26 (XINHUA) -- China's petrochemical industry aims to double its profit between 1982 and 1990, said Li Renjun, chairman of the board of directors of the China Petrochemical Corporation, at a meeting here today.

Li said this at a meeting of petrochemical company managers and factory directors which ended here this afternoon. The meeting was called by the corporation, set up in 1983 to unify the management of China's petrochemical industry.

Much has been achieved in China's petrochemical industry over the past over 30 years, Li Renjun said, adding that during the period, the industry earned more than 90 billion yuan of profit. The industry would supply more fund for China's modernization program in the coming years, he said.

Employing 480,000 people, the corporation now boasts fixed assets worth 21.8 billion yuan and has 39 large and medium-sized petrochemical plants producing synthetic fibers, synthetic rubber, chemical fertilizers, light oils and other products. With this solid foundation, the goal set for 1990 can certainly be achieved, Li Renjun said.

Addressing the managers and directors at the closing session of the national meeting, Vice-Premier Yao Yilin said that the China Petrochemical Corporation, a national economic entity in this industrial sector, represents one of the forms of management China has adopted in restructuring its economic set-up. The form to be taken in restructuring an industrial sector is decided by the actual conditions of that sector, Yao said. The establishment of the China Petrochemical Corporation has made it possible to make use of China's oil and natural gas output more rationally under a unified plan so as to generate the best possible economic results, the vice-premier said. Still, this form of management may be further substantiated and improved in the coming years, Yao Yilin added.

The vice-premier urged the corporation to simplify administrative procedures and delegate more power to lower levels, giving greater decision-making power to grassroots enterprises so as to increase the initiative of the enterprises and their employees. China's petrochemical industry, Yao Yilin said, should import advanced technology to upgrade its enterprises and improve its management and economic performance. Efforts must be made to accelerate the construction of key petrochemical projects, the vice-premier added.

HU QIAOMU INSPECTS ZUNHUA COUNTY, PRAISES FAMILY

HK240942 Shijiazhuang HEBEI RIBAO in Chinese 12 Aug 84 p 1

[Report: "Comrade Hu Qiaomu Airs His Views on Commodity Production While Inspecting Zunhua County"]

[Text] Accompanied by Deputy Secretary Long Changsheng, adviser Su Feng, and others of the Tangshan City CPC Committee, Comrade Hu Qiaomu, member of the Political Bureau of the CPC Central Committee, inspected Zunhua County 9-11 August.

During his stay in Zunhua, Comrade Hu Qiaomu listened to reports by the responsible comrades of the county CPC Committee and government on implementing rural economic policies, developing commodity production and rural education, and strengthening party organizations at the grassroots levels. He also inspected a knitting mill and a brewery in Pingnan Town, a malt extract syrup plant and a tube plant run by specialized households and economic associations in Zhongtan Village, and visited Hao Fujin's family, a specialized household engaged in noodle making. After listening to Hao Fujin's story of how he became rich by making noodles and his management experience of distributing dividends and issuing yearend bonuses among shareholders within his household, Comrade Hu Qiaomu said in a praiseworthy manner: Your family has practiced economic democracy and therefore is a democratic family. You should strive to be a democratic family model of the whole nation!

Comrade Hu Qiaomu was deeply concerned over the building of party and CYL organizations and expressed his views and opinions on strengthening ideological and organizational building of the party and CYL organizations and on the issue of infusing new blood into the party.

Zhang Ming, party branch secretary of Zhongtan Village, reported to Comrade Hu Qiaomu the experience of the party branch in giving full play to the role of the party branch as a fighting bastion and to the exemplary and vanguard role of party members in meeting the developing needs of commodity production; in helping the masses resolve difficulties in funds, space, technology, and information; and in leading the masses on the road to prosperity. After listening to his report, Comrade Hu Qiaomu praised Zhang Ming for exercising able leadership and for giving full play to the exemplary and vanguard role of party members.

ECONOMIST ON PARTIAL, OVERALL ECONOMIC RESULTS

HK201429 Beijing RENMIN RIBAO in Chinese 13 Aug 84 p 5

[Article by Yu Guangyuan: "On Economic Results of Various Parties Concerned and Economic Results of the Entire Society Under the Socialist System"]

[Text] We can observe and study the economic results of production in two ways. One is from the angle of productive force economics and the other is from the angle of political economy. By observing and studying the economic results of production from the angle of productive force economics, we refer to studying how people use the various factors of productive forces and the various factors in the process of production and how much labor consumption is needed to achieve a certain level of economic results; and by observing and studying the economic results of production from the angle of political economy, we mean studying the relationship between men in terms of economic results. Studying economic results from the angle of productive force economics falls basically into the category of general science, that is, science which is not socialist or Marxist in nature. However, studying economic results from the angle of political economy constitutes a task in the study of Marxism.

Today we will study some basic conceptions concerning economic results under the socialist system from the angle of political economy.

I

In a society -- even a socialist society -- there are still individuals and organizations occupying different positions, each having their own direct economic results to attain. I call these individuals and organizations the parties concerned and their direct economic results the economic results of parties concerned. The economic results of parties concerned refers to the economic results that specific parties concerned seek or receive.

We can cite some instances as illustration.

The direct economic results of a laborer and his family mean that they can consume the subsistence goods they need in larger quantity and better quality and have more free time (or leisure time) at their disposal within a given period. It is the laborers themselves who seek such economic results and they are in a position to receive the economic results earned.

The direct economic results of socialist productive enterprises mean that they can turn out larger quantities and better quality of marketable products with lower production costs and receive larger profits, after covering expenses and turning over taxes and profits to the state, within a given period. The purpose of enterprise leaders in striving to do a good job in operations and management and of the staff and workers of enterprises in working hard is to seek and receive such economic results.

The direct economical results of state financial departments mean obtaining revenues in accordance with plans under state regulations, using these revenues to cover expenditures as planned, and obtaining the best results in doing so.

The parties concerned that seek and receive economic results under the socialist system are by no means limited to the above-mentioned three categories and, moreover, each major category can still be divided into several minor ones. The "economic results of various parties concerned" are more often than not uniquely different. In this article, we cite only the parties concerned belonging to these three categories to specifically illustrate the "economic results of parties concerned," and do not touch in great detail on where the direct economic results of various parties concerned are manifested.

Different parties concerned have their own direct economic results. This conforms with law. It is entirely necessary for all parties concerned to raise this kind of direct economic result.

However, the direct economic results of various parties concerned are not necessarily entirely identical. To ensure revenues, state financial departments ask enterprises to turn over more taxes and profits to the state. In formulating tax rules and regulations, it is necessary to calculate the possible net profits gained by enterprises, on which certain restrictions should be imposed. As far as enterprises are concerned, they hope to earn more net profits. Meanwhile, in order to gain more net profits, enterprises should strive to reduce production costs and control the wages and bonuses of their staff and workers appropriately. As for laborers and their families, they hope to obtain more pay for their labor contribution.

Of course, regarding the differences in the positions of various parties concerned, their economic results are also essentially different. The economic results obtained by state financial departments are not ultimately used by the departments themselves. The various undertakings listed in the budgetary expenditure should take the interests of all of society, including those of all laborers and of the enterprises throughout the country, as the starting point. The economic results of socialist enterprises also include the personal interests of laborers. In working hard to seek and receive the economic results of the parties in which they are involved, laborers have already created more profits for their enterprises and boosted state revenues. The fact that the economic results of various parties concerned are in this manner identical represents an important guarantee for advancing China's national economy.

II

Under the socialist system, in addition to the economic results of parties concerned, there are still the economic results of the entire society. In a society where private ownership of property prevails, the economic results of the whole society are objectively nonexistent, because there exist conflicts of interests among proprietors and particularly because the economic results of the exploiting class and the one exploited are diametrically opposed.

Under the socialist system, while seeking their own direct economic results, the laborers with political consciousness also willingly strive to seek economic results for the entire society and so also is the case with the socialist enterprises. However, seeking and receiving the economic results of the entire society is not related to any specific parties concerned, and the level and nature of the economic results earned by the society as a whole cannot, as often as not, be understood and explained clearly at a single stroke. The economic results of the entire society under the socialist system constitute an objective fact. We should analyze and assess them by reasoning and properly understand and grasp them.

The economic results of the whole society under the socialist system are a kind of economic result superior to the economic results of various parties concerned. Casting blame, some people may ask: Are state financial departments not the parties concerned with the economic results of the whole society? I do not think it is a fact. Under the socialist system, the economic results of the whole society are "a kind that include those of various parties concerned on the one hand and are superior to them on the other." Moreover, the economic results of state financial departments fall into the category of the economic results of parties concerned. Although the number of beneficiaries of the economic results of state financial departments is greater than that of any specific individual laborer or enterprise, great enough to enable the whole society to benefit from this kind of economic result, the economic results of state financial departments cannot embrace fully those of various parties concerned and, moreover, in a certain sense, the former can still be in contradiction to the economic results of individual laborers and enterprises. Therefore, we cannot equate them totally with the economic results of the whole society. The relationship between the economic results of various parties concerned and those of the whole society is different in concept from the relationship between the individual, the collective, and the state.

As a concrete concept, "the whole society" refers to "all members of society," namely, the sum total of all sections of the whole society. The economic results of the whole society are therefore the sum total of the economic results of various parties concerned which provide their foundation. Without the economic results of various parties concerned, there would be no economic results of the whole society. Nevertheless, under the socialist system, the economic results of the whole society are not, in the final analysis, the mechanical sum total of the economic results of various parties concerned. Being eaten away, some of the economic results earned by the parties concerned cannot form part of the economic results of the whole society. Of the economic results created by laborers through hard work, some will become only potential economic results of the whole society and not "real" ones.

III

Here it is necessary to introduce the concept of "ultimate social economic results." By ultimate social economic results, we mean a kind of economic result related to the fundamental and ultimate aim of our socialist construction as a whole. Comparatively speaking, the above-mentioned economic results of the whole society are the opposite of those of various parties concerned, while the ultimate social economic results are the opposite of those of an intermediate nature. For example, production results are a kind of economic results of an intermediate nature. As we all know, under the socialist system, production itself does not serve as our aim. The purpose of socialist production is to meet the ever-growing needs of laborers and their families for subsistence goods, recreation, and development as satisfactorily as possible. The results that can meet the material needs of laborers and their families and help them live a happy life mean ultimate social economic results. To attain sound ultimate social economic results, it is necessary to obtain good economic results of an intermediate nature in the production of both subsistence and capital goods, to bring the role of manpower and land resources and other economic resources into full play, to turn our marketable products in great variety and large quantities as well as possible, and, at the same time, not to prolong the working hours of laborers or damage the useful environment. Environmental results or ecological results are also a type of intermediate results. If production results contradict environmental or ecological results, the solution to this contradiction lies in how the best ultimate social economic results can be attained. The ultimate social economic results are where the economic results of the whole society under the socialist system lie, are the criterion for judging the economic results of the whole society, and are also the most fundamental economic results of a socialist society.

IV

With an explanation of the economic results of the whole society and of the ultimate (or most fundamental) social economic results, we can further discuss the relationship between the attainment of economic results and making money. This is because there are muddled ideas on this question. As I see it, we must acknowledge that the economic results of many parties concerned are closely related to making money. The concept of economic results, however, is not limited exclusively to making money. For instance, in consumption a gluttonous man falls ill because he eats a lot of delicacies from land and sea which disrupt his normal digestion. True, this question can be discussed from the angle of health -- kind of social result -- but it can also be discussed from the angle of economic results, for "consumption results" are also a kind of economic result. This kind of economic result can also be viewed from the angle of the fact that money has been spent on costly foods, but this view should not be considered primary. What is primary is the result of the consumption itself.

As far as the ultimate social economic results and the economic results for the whole society are concerned, they are not measured in money. Money is used to exchange material objects. The economic results of the whole society are measured by the total amount of products turned out by the whole society in a given period. These products belong to the whole society, which need not use money to exchange them. Inedible or unwearable, money in itself constitutes neither subsistence goods nor capital ones. The production of the whole society is production of use value and material objects, rather than that of value and currency. As for the economic results of the whole society, what counts is the amount of material objects (use value) that can be used to meet society's needs, rather than their value. Moreover, if the value of that same use value is high, that is, if a large amount of socially necessary labor is consumed to produce such use value, this only indicates the labor efficiency in producing such products is low. In this connection, value demonstrates itself as a negative factor. Therefore, viewing things from the angle of the whole society's economic results, it is wrong to interpret economic results as making money. But, judged from the economic results of parties concerned, in a situation in which commodity production under socialism exists, the parties concerned should earn money before they can exchange it for the use value they need, and so, in this sense, it is advisable to interpret the economic results of parties concerned as making money. Of course, making money is not the ultimate economic result of parties concerned.

V

The economic results of the whole society are based on the economic results of various parties concerned and organically are the sum total of the latter. This account touches on only one aspect of the relationship between the economic results of the whole society and those of various parties concerned. The other aspect of the relationship between the two is that economic results of various parties concerned mean the distribution of the whole society's economic results among the various parties concerned. Under the condition that the level of the whole society's economic results fixed, if, in the distribution of the economic results specific parties concerned larger portions than they did previously, then, generally speaking, the other parties concerned will receive smaller portions than they did previously. In this point lies the contradiction among the various parties concerned in terms of economic results. Distribution is, of course, a very important issue in which the various parties concerned take a keen interest, but most vital are the economic results gained by the society as a whole from production. To gain more direct economic results, the most fundamental thing for various parties concerned to do is to strive to raise the economic results of the whole society by every possible means. So long as distribution is carried out rationally, the economic results of various parties concerned will increase correspondingly.

The fundamental approach we Marxists should take to the question of the whole society's economic results and those of parties concerned should be that of vigorously supporting various parties concerned in working hard at their own posts, doing a good job in production and operations, turning out more and better products, offering more and better labor services related to consumption, and gaining more direct economic results from their above-mentioned activities. The endeavors made by the various parties concerned in working for their own direct economic results provide the foundation for attaining the whole society's economic results. Without such endeavors, the attainment of the whole society's economic results would be out of the question. The section of individual laborers, enterprises, and localities which have become better-off before others through their efforts to attain better economic results can set an example to the other individual laborers, enterprises, and localities and, moreover, can create more favorable conditions in markets, raw materials, and funds for raising the economic results of the whole society. We should give the various parties concerned a free hand in doing what is useful for the attainment of better economic results.

Of course, the various parties concerned should deepen their understanding of the whole society's economic results. They must understand that under the socialist system they should keep firmly in mind the whole society's economic results in all matters, frequently make calculations of such economic results, and master the calculating methods. Even though we cannot be very clear about the calculation of economic results for various reasons, we must still learn to make broad assessment of them on a scientific footing. Based on the economic results of the whole society, socialist states formulate various plans, policies, decrees, and other rules and regulations which represent the whole society's interests. The fact that various parties concerned observe such regulations and vigorously support and implement such policies is an important guarantee for attaining better economic results for the whole society and for increasing the whole society's economic results faster. The formulation of correct policies is most vital to the solution of the question of the relationship between the economic results of the whole society and those of various parties concerned. The fundamental principle for formulating correct policies is to develop what is identical in the economic results of parties concerned and those of the whole society and to restrict what is not identical to ensure that in implementing such correct policies, the endeavors of parties concerned to raise direct economic results can "naturally" bring very good economic results to other parties concerned and even to the society as a whole. In formulating correct policies, we should properly grasp this principle, both in orientation and with a sense of what is right, and should not artificially set originally identical things against each other.

It is also my opinion that in making an economic feasibility study of a particular construction project, we must make an analysis of and deliberate on the economic results of both parties concerned and the whole society and, moreover, we must take such analysis and deliberations as the precondition for approving organizations to approve the construction project or not. This must be made an institution that should be followed. This practice can point out that our analysis of and deliberations on economic results are socialist in nature and help people deepen their understanding of the whole society's economic results. Of course, this spirit should not be limited to the economic feasibility studies of the deliberations on construction projects, and in studying various economic work and summing up experience in work we should follow this spirit. While seeking scientific theories and methods for calculating and assessing the economic results of various parties concerned, we should simultaneously seek scientific theories and methods for calculating and assessing the economic results of the whole society. This is an important unshirkable task of Marxist economists.

I. 27 Aug 84

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CHINA
PRC NATIONAL AFFAIRS

ECONOMIC OFFICIAL STRESSES LEGAL SAFEGUARDS

OW242114 Beijing XINHUA in English 1605 GMT 24 Aug 84

[Text] Hangzhou, August 24 (XINHUA) -- China's emerging economic management system should be run on legal lines. This was stated by Gu Ming, deputy secretary-general of the State Council and head of the State Council's Economic Legislation Research Center, at the second national conference on economic legislation now in session here.

It is China's ultimate goal to lead, organize and manage economic affairs on a legal basis, he said. Economic administration should be gradually systematized and standardized in a scientific way, he said, and the result should be a clear body of concrete economic legislation.

In the present rapidly changing domestic and international economic scene an economic legal system is imperative for the smooth progress of socialist construction, Gu stressed. He described the functions of the economic legal system as safeguarding the establishment and development of the socialist economy; guaranteeing state and collective ownership systems and legitimate rights and interests of individuals from encroachment; ensuring the development of the national economy in a planned way; pushing forward the reforms in economic management; advancing the policy of opening to the outside world, easing the flow of economic information; and strengthening economic judicial functions.

While priority should be given, he said, to economic legislation at the central level, concerning the restructuring of systems and foreign trade, at the same time, the regulations of local administrations should be brought into line with the state laws. To implement the laws once they are in force, Gu said that the functions of industrial and commercial supervisory institutions should be strengthened, as should the powers of arbitration commissions and the economic divisions of the people's courts. However, with only 14,000 full-and part-time lawyers, China needs a crash program to train judicial personnel in order to ensure the efficient functioning of an economic legal system underpinning both domestic and international economic activities, he concluded.

DENG YINGCHAO, ZHANG AIPING GREET SENIOR GROUP

OW241048 Beijing XINHUA in English 1031 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- A photographic society for senior photographers was established here today at a meeting in the Great Hall of the People. Retired photographers, both professional and amateur, have joined together to form the China Senior Citizens' Photographic Society, an unofficial organization which will carry out activities with the help of the China National Committee on Aging. The activities will include creative work, theoretical study and magazine design, and the society will hold exhibitions and international exchanges. Eventually, the society will set up a photographic training college.

Deng Yingchao, a member of the Political Bureau of the Chinese Communist Party Central Committee, and State Councillor Zhang Aiping, sent telephone congratulations to today's inaugural meeting. The more than 200 representatives and guests present included noted senior photographers such as 84-year-old Wu Yinxian.

The meeting elected Lu Zhengcao, Sa Kongliao and Wu Yinxian honorary presidents of the society, and Wang Guangmei, Zhu Muzhi, Mu Qing and 11 others, advisers. Wang, wife of former Chinese President Liu Shaoqi, is also an amateur photographer. Another leading photographer Shi Shaohua was elected president. He began his photographic career in the 1930s, and his pictures taken during the war of resistance against Japan (1937-1945) and the war of liberation (1945-1949) are valuable historical works.

ZHOU HUI URGES NEI MONGGOL COURTS' IMPROVEMENT

SK260400 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 25 Aug 84

[Text] The regional work conference on court affairs pointed out that efforts should be made to continuously and resolutely implement the principle of heavily punishing criminal cases according to the law and in a timely manner, to thoroughly carry out struggle against crimes, and to further foster coordination with measures adopted in consolidating public security comprehensively to achieve a fundamental turn for the better in social peace.

After summing up the experience gained by the people's courts during the past year and affirming their achievements, the conference contended that though the current public security situation is obviously better, we have not achieved a fundamental turn for the better in this regard. The people's courts at all levels must prevent or overcome unrealistic optimism and slackness in work. While dealing timely blows at various crimes, they should concentrate on discovering serious crimes deeply hidden in various parts of society or in units and should deal blows at criminals who flee here, there, and [words indistinct]. It is particularly important for them to correctly implement the law and policies, to strictly distinguish the different natures of various crimes and appropriate countermeasures, to strengthen the administration of justice and supervision, to thoroughly deal with serious and old cases, to earnestly implement the policy on showing leniency toward those who confess their crimes and severity toward those who refuse to confess, and to pay attention to launching political attacks to do away with criminals and upgrade the social effect of legal punishment.

In concluding the conference, Zhou Hui, first secretary of the autonomous regional CPC Committee, attended and made a speech in which he urged participants to create a new situation in the administration of justice.

TEAMS GREET NEI MONGGOL FRONTIER GUARDS

SK250143 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 24 Aug 84

[Text] For the occasion marking the 57th anniversary of the founding of the PLA and welcoming the 35th anniversary of the founding of the PRC, the regional People's Government organized teams to extend greetings to commanders and fighters of the PLA and the Chinese People's Armed Police unit stationed on our region's borders to further strengthen building the frontier guards and the unity between the Army and the government and between the Army and the people.

The main team conveying greetings was led by Bu He, chairman of the regional People's Government, with leaders of relevant departments under the jurisdiction of the regional government and leagues as deputy heads. Six branch teams were organized under the guidance of the general team, including teams of Ulanqab, Xingan, Xilin Gol, Bayannur, Hulun Buir and Alxa Leagues. Relevant departments under the jurisdiction of the regional government will respectively join the activities to convey greetings of Alxa and Hulun Buir League branch teams. All branch teams will launch the activities in different localities on 25 August.

SHANXI'S LI LIGONG WISHES EXAMINEES SUCCESS

SK240750 Taiyuan SHANXI RIBAO in Chinese 6 Aug 84 p 1

[Text] On 3 and 5 August, the unified examination for China's first group of managers, and factory (mine) chiefs was held at Shanxi examination centers at the Shanxi provincial agricultural cadres school and the provincial exhibition hall.

Some 177 managers, and factory (mine) chiefs of the province's large and medium-sized enterprises gathered for the examination. Li Ligong, secretary of the provincial CPC Committee, visited the examination centers and encouraged the examinees to win great success.

TIANJIN CIRCULAR OUTLINES INTELLECTUALS' POLICY

SK250759 Tianjin City Service in Mandarin 0030 GMT 25 Aug 84

[Excerpts] Recently, the Organizational Department of the Tianjin Municipal CPC Committee approved and transmitted an investigation report by the municipal scientific and technological association on the situation of 52 scientific and technological personnel who had been sent abroad for further study. In this connection, it also issued a circular calling on the organizational departments of the CPC committees at all levels to conscientiously implement the (? eight tasks) concerning intellectuals proposed by central leaders in the course of investigating implementing the policy on intellectuals, to pay particular attention to investigating every year the employment situation of scientific and technological personnel who have returned from abroad after completing their graduate and college courses, and to properly solve problems in a timely manner whenever discovered.

The circular also calls on the CPC committees at all levels to treasure and take good care of talented persons, use them rationally, create working conditions for personnel of various branches of learning, realistically help them to solve practical problems in their daily lives, and enable them to play a better role in enlivening the domestic economy and opening up to the outside world.

To realize the implementation of the policy on intellectuals, the municipal scientific and technological association formed an investigation group of full-time personnel in May to check on 52 scientific and technological personnel who have returned after finishing study abroad. The investigation showed that about 19.2 percent of the returned scientific and technological personnel can perform fully about 28.8 percent can play a more limited role, and about 52 percent cannot display their professional expertise or make use of the technical knowledge they have learned from abroad.

In the investigation report, the municipal scientific and technological association suggests that efforts be made to conscientiously investigate whether the returned scientific and technological personnel who have completed their study abroad have performed their role fully, and to help them solve some problems. We should fully understand their characteristics, and fully emphasize their role in importing technology, absorbing foreign funds, exchanging talented personnel, carrying out international technical exchanges, training in-service scientific and technological personnel, and operating economic and technological developmental zones.

TIANJIN PUBLIC TRANSPORT IMPROVEMENTS UNDER WAY

OW260803 Beijing XINHUA in English 0635 GMT 26 Aug 84

[Text] Tianjin, August 26 (XINHUA) -- Extra buses have been added, bus routes extended and work is under way on subway extensions in Tianjin as a result of a recent sampling survey.

The municipal government sent sociologists to question 1,000 families on their transport needs and the length of time it took people to get to work. The average time needed per person to travel back and forth to work was 69.2 minutes, according to the survey. The longest was three hours and rush-hour traffic jams were getting worse. Apart from providing better transport facilities, local authorities say they are also helping people to exchange homes to be nearer their places of work. So far, 30,000 families have changed their dwellings. Sociologists are now conducting surveys to help improve government organization. Surveys on other social problems are also under way.

LI LIAN ADDRESSES HEILONGJIANG CIVILITY MEETING

SK260721 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 25 Aug 84

[Excerpt] The provincial committee in charge of the "five-stresses," "four-beauties," and "three-ardent-loves" campaign held an on-the-spot meeting at (Nongfeng) Township, Shuangcheng County, Heilongjiang Province, on 24 August.

The meeting adopted a resolution on popularizing the experience gained by (Nongfeng) Township in doing good deeds for the masses in a down-to-earth manner to further promote the building-civilization campaign throughout the province. Since beginning to build civilized towns in 1982, (Nongfeng) Township in Shuangcheng County, by upholding the principle of proceeding from reality and refraining from indulging in formalism, has scored marked achievements in the 10 aspects, such as conducting educational work in a down-to-earth manner, building a tap-water system, planting trees, repairing roads, carrying out family planning, building a memorial tower, and popularizing wired broadcasting. All of this has brought a great change in the people's mental attitude and the appearance of villages.

On 24 August, leading personnel of the provincial CPC Committee, the provincial Advisory Commission, and the provincial CPPCC Committee, including Li Lian, Li Genshen, Zhang Xiangling, Wang Pinian, and Tana Liandi, attended the meeting to hear the report together with all participating members of the provincial civility-campaign committee, which was given by (Kang Shikui), secretary of the (Nongfeng) Township CPC Committee, in regard to the experience gained in building a civilized township. They also visited the township middle school, a hospital, a cultural center, and a tap-water facility, and viewed roads, highly praising the township's construction achievements. Li Lian stated: (Nongfeng) Township has done a very good job in conducting the 10 aspects, particularly in running its schools. He continued: Its achievement, which particularly reflects socialist characteristics, is the work of building spiritual civilization. It has made simultaneous progress in building both material and spiritual civilization. All its achievements have shown that material civilization is a foundation and that there will be no culture, knowledge of technology, or lofty sentiment without spiritual civilization. Under such a circumstance, material civilization cannot step forward. The experience gained by (Nongfeng) Township in building a civilized town has popular significance for rural areas and also can be used for reference in building civilized cities.

The meeting emphatically pointed out: Building civilized towns is work of a comprehensive nature, which is composed of tangible and intangible elements. Efforts should be made to firmly grasp the ideological education in this work and to integrate the tangible elements with the intangible. We should grasp the tangible work in a down-to-earth manner and grasp the invisible work penetratingly. Efforts should be made to guide the masses to actively reform their outlook on life and morality while conducting reform in the objective world so as to make simultaneous progress in building both material and spiritual civilizations.

LIAONING RECTIFICATION RESULTS SUMMARIZED

OW240651 Beijing XINHUA Domestic Service in Chinese 0740 GMT 22 Aug 84

[Excerpts] Shenyang, 22 Aug (XINHUA) -- The Liaoning Provincial CPC Committee is trying to create a new situation for Liaoning's work during party rectification. It is making serious efforts to clear away the influence of "leftist" ideas and follow a correct guiding thought for administration. Party rectification has thus promoted reforms, economic construction and all other work, bringing about a good situation seldom seen for many years throughout the province.

Through party rectification, leading bodies at all levels in the organs directly under the province have raised their consciousness of the need to discuss major issues, understand the whole situation and pay attention to the work in their respective fields. Simultaneous reforms from the rural areas to the cities, from production to circulation and from the economic base to superstructure are now gaining momentum across the province. Compared with the same period of last year, in the first half of this year the province registered an increase of 10.2 percent in the total value of industrial output, 21.7 percent in financial revenue, and 21.9 percent in profits realized. The markets in towns and the countryside are witnessing brisk buying and selling. There has also been marked improvement in party style and in the relationship between the party and the masses all over the province.

From the start of its party rectification work, the Liaoning Provincial CPC Committee had already made it clear that ideological unity would be the key, more rapid economic construction the focus, and revitalization of Liaoning the purpose for party rectification this time. Party rectification was expected to give impetus to the economy, reforms, and work and change the situation of slow economic development in Liaoning. Under the guidance of this thinking, the provincial party committee has directed its attention mainly to the following four links:

1. It has followed a correct guiding thought for administrative work by focusing close attention on the party's general tasks and general objective. The average rate of increase in the province's annual total value of industrial and agricultural output between 1978 and 1983 was only 6.2 percent, below the national average. Everyone saw that the main cause of this was that they failed to completely eliminate the "leftist" ideological influence and make adequate enough efforts to emancipate the mind. As a result, they could not make serious and creative efforts in implementing the party's line since the 3d Plenary Session of the 11th CPC Central Committee and could not make headway in reform or boost the economy. Consequently, the Standing Committee of the provincial party committee took the lead to examine itself in view of its problems in this respect. After unifying its thinking, seriously summing up experiences and lessons learned, and carrying out in-depth and meticulous investigation and study, the provincial party committee has decided on the strategic proposition for developing the economy in accordance with Liaoning's local situation. The committee proposed the slogan "Revitalize Liaoning, Serve the Whole Country." To realize the strategic plan, the provincial party committee, provincial government, and their subordinate administration departments have reformed the work and formulated new regulations in more than 10 areas, including collective enterprises, agriculture, commerce, finance and banking, township and town industries, cadre management, and review and approval of items to be imported.

2. It has kept on correcting mistakes throughout the entire course of party rectification. In each stage of party rectification, attention has been focused on correcting mistakes at the same time when major problems are being resolved to eliminate passive factors and improve party style. According to the estimates of 91 of the units that have started party rectification, the masses submitted over 7,300 complaints concerning the practices of using one's position and power for personal gain and 6,335 of these cases have been settled or basically settled. Besides, the provincial party committee has also paid attention to solving the problem of "mountains of documents and seas of meetings," stopping the practice of shifting responsibilities onto others and stalling things and overcoming bureaucracy.

3. It has paid keen attention to educating the party members to overcome factionalism, enhance party spirit, and thoroughly negate the "Cultural Revolution" in the course of party rectification and has resolutely expelled from the party those elements who oppose and harm the party and the "three types of persons." In view of Liaoning's relatively serious factionalist problems during the "Cultural Revolution," provincial party committee First Secretary Guo Feng at the beginning of the party rectification pointed out that the three factions in Liaoning during the "Cultural Revolution" were all wrong, the majority of the masses of the three factions were good, and the "three types of persons" in all the three factions should be ferreted out. Based on these requirements, the provincial party committee organized the party members to attend discussions on harm from factionalism, clearly pointing out its manifestations and discussing measures to get rid of it, to guide the party members to eliminate factionalist influence and intensify training in party spirit.

In order to purify party ranks and eliminate hidden perils within the party, the provincial party committee attached great importance to the work of verifying through investigation the "three types of persons" and established verification teams composed of nearly 1,000 comrades with strong party spirit and correct party style. In line with the principle of not leaving out any of the "three types of persons" and broadening the scope of work, the provincial party committee, since the verification work unfolded, clearly stated the major targets of investigation and at the same time proposed a list of "10 circumstances" whereby mistakes could be regarded as being of general character, thus dispelling worries among those comrades who had committed mistakes of a general character during the "Cultural Revolution." Along with the progress in the work, the provincial party committee also adopted 10 measures to prevent loopholes in order to enable the verification work to proceed in a wholesome manner. At present, initial results have been achieved in the work; it has clarified who the "three types of persons" really are and straightened out a number of questions for some people.

4. The provincial party committee has exercised firm and effective leadership over party rectification. While placing strict demands on party rectification work, the provincial party committee has conscientiously organized acceptance tests at every stage, stressing results and guarding against perfunctoriness.

At present, the provincial party committee is organizing the broad masses of party members to sum up experience and look for shortcomings in order to fulfill, in an all-round manner and on a high plane, the various tasks of party rectification.

LIAONING BOOSTS TECHNICAL MODERNIZATION

OW270909 Beijing XINHUA in English 0744 GMT 27 Aug 84

[Text] Shenyang, August 27 (XINHUA) -- Liaoning Province is reaping a harvest of profits from the investment of 7.3 billion yuan in 10,000 technical modernization projects in existing enterprises, LIAONING DAILY reports.

The investment has been made over the past five years. Statistics show that 5,300 projects alone have brought new output value of 5.87 billion yuan, and profits and taxes of 1.37 billion yuan. More than 3,000 projects were undertaken in 340 light industrial enterprises, involving food, paper-making, garments, household electrical appliances and wool spinning. The introduction of more than 260 new production lines and 20,000 sets of updated equipment helped improve the quality and variety of products. There were also 800 energy-conservation projects, which helped save an amount of energy equalling 1.2 million tons of coal a year.

SHAANXI REFORMS 16 NATIONAL DEFENSE ENTERPRISES

HK241014 Xian Shaanxi Provincial Service in Mandarin 0330 GMT 24 Aug 84

[Text] At the end of June the provincial National Defense Science and Industry Office organized an enterprise reform inspection group, which has explored 16 national defense enterprises thoroughly in Xian, Guanzhong, and Hanzhong, inspecting reform in enterprises and studying new ways to carry out reform to promote the healthy development of enterprise reform.

In light of the situation, many units of the provincial national defense science and industry departments and affiliated organizations have vigorously formulated plans for reform, have broken the big common rice bowl, and have boldly carried out reform. At present they have generally made breakthroughs in three aspects:

1. They have done their best to expand production and to find ways to make money. As a result, enterprises have manufactured products for both military and civilian use instead of for military use only, and have engaged in both production and promoting sales of their products rather than production only so as to enhance their capacity for meeting an emergency.
2. They have reformed the systems of distribution, personnel, and management, have stressed arousing people's enthusiasm, rewarded the diligent, and punished the lazy so as to enliven the economy.
3. They have adopted the form of joint production to make contacts between themselves and other departments. The Hongqi Machinery Plant and its labor and service company signed a contract for the joint production of aluminum alloy bicycles. The Northwest Optical Instrument Plant and five local enterprises, including the Hongqi Watch Plant, have set up a joint undertaking to make cameras. The optical instrument plant has also cooperated with American, Japanese, and Hong Kong firms to manufacture optical instruments.

On the basis of penetrating investigation, to step up reform leaders of the provincial National Defense Science and Industry Office held a forum on enterprise reform at the beginning of July to popularize the experiences of the Hongqi Machinery Plant, the Northwest Optical Instrument Plant, and other units in carrying out reform.

YU GUANGYUAN INSPECTS SHAANXI PRODUCTION BRIGADE

HK250253 Xian Shaanxi Provincial Service in Mandarin 1130 GMT 24 Aug 84

[Text] On 21 August, the well-known economist Yu Guangyuan inspected economic development and peasant living standards in Yuanjia brigade of Liquan County in Shaanxi. He said afterwards: The rural areas are vast and many people can be absorbed here to display their talent.

Yuanjia brigade has developed industry and sideline production ventures in recent years while improving the conditions for agricultural production and developing grain production. The brigade has set up a [words indistinct] factory, a road transport team, a construction squad, an aluminum smelter, and a cement plant. Besides transforming the brigade from poor to rich, the development of commodity production has led to a situation in which there are not enough local laborers and contract peasant workers to be hired from neighboring mountain villages. This is a very encouraging situation in advancing toward new production fields.

After learning of this situation, Comrade Yu Guangyuan held: Surplus labor in a village is a sign work has not been done well. It is certainly not objective law.

I. 27 Aug 84

T 2

PRC REGIONAL AFFAIRS
NORTHWEST REGION

Anyone who does not believe this should come and have a look at Yuanjia brigade. The rural areas are vast and many people can be absorbed here to display their talent.

XINJIANG: WEALTH FROM LABOR DISTINCT FROM CRIMES

HK250731 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 24 Aug 84

[Station commentary: "Draw a Clear Distinction in Policy; Support Peasants To Get Rich Through Labor"]

[Text] In the wake of further perfecting the rural system of contracted responsibilities with payment linked to output in recent years, the number of various kinds of specialized households in the region is increasing and commodity production is vigorously developing. Some peasants use their wisdom under the correct leadership of the party and are becoming rich before others. This is a very gratifying phenomenon. However, people still do not have a common understanding of how to treat this group of peasants who get rich before others.

Particularly since the campaign of striking at economic crimes, some people have had a confused idea about getting rich through labor and about economic crimes. If we do not properly handle this question the initiative of the peasants for developing commodity production will be affected. The CPC Central Committee and the State Council have clearly stipulated that in the work of striking at serious economic crimes we should mainly aim at those criminals who have committed such serious crimes as smuggling, corruption, taking bribes, gambling, swindling, and stealing state and collective property. We must by no means aim at peasants who get rich through labor, but instead should actively protect and support them. When handling the economic problems of specialized households, the CPC Committee of Miquan County has acted strictly in accordance with party policies. It focuses on investigation and study and draws a clear distinction between problems resulting from the imperfection of systems and methods in the course of enlivening the economy and criminal cases, thereby protecting the legitimate rights of rural specialized households. This action is completely correct.

To consolidate and develop the good situation in the rural areas, all comrades engaging in rural work must continue to emancipate their minds, to eliminate the leftist influence, to determinedly implement the central authorities' and the region's Document No 1, and enthusiastically support the peasants to go all out to open up ways to become rich. Regarding some rural people who have been influenced by capitalism and whose actions deviate from the economic policies, basically via positive education we should lead them to correctly handle the relations among the state, collectives, and individuals; to observe discipline and law; and to get rich through labor. Thus, the town and township enterprises in the region will greatly develop, as will commodity production in agricultural and animal husbandry areas. Therefore, the broad masses of peasants will get rich at an earlier date and make greater contributions toward the four modernizations.

WANG ENMAO AT XINJIANG PREFECTURE RALLY

HK260422 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 25 Aug 84

[Summary from poor reception] Xinjiang Regional CPC Committee First Secretary Wang Enmao attended a rally today marking the 30th anniversary of the establishment of Changji Hui Autonomous Prefecture. He extended warm greetings to the prefecture in a congratulatory speech. He also called for efforts to quintuple the region's total annual industrial and agricultural output value by the end of the century. For this reason, it is essential to grasp three major tasks: 1) Promote the unity of nationalities and strive to run Changji Prefecture as a model in this respect; 2) do a good job in basic construction for development; 3) grasp party rectification and weed out the people of three categories.

I. 27 Aug 84

C H I N A
PRC MEDIA ON TAIWAN AFFAIRS

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TAIWAN PAPER SAID CRITICAL OF HIJACKER REWARDS

HK240738 Beijing ZHONGGUO XINWEN SHE in Chinese 0940 GMT 23 Aug 84

["Taiwan's 'TSI LI WAN PAO' Carries Article Criticizing Authorities for Supporting and Awarding Hijackers"]

[Text] Beijing, August 23 (ZHONGGUO XINWEN SHE) -- Taiwan's TSU LI WAN PAO carried on 20 August an article entitled "Publicity on Handling the Case of the Six Righteous Persons Should Be Considered," which criticized the authorities for supporting and rewarding Zhuo Changren and five other hijackers.

The article says that when news about the "incident of the six righteous persons" reached Taiwan, a Mr so-and-so of the department in charge of information and propaganda suggested that "hijacking an airplane" should be changed to "seizing an airplane." The media collectively accepted this, resulting in the misunderstanding that hijacking an airplane is a crime but seizing it is not." This set off a loud show of support for the six hijackers. This way of justifying an objective in advance is really not to be complimented, whether or not the use of propaganda is justifiable.

The article says that since hijacking is a crime, they certainly have to be tried by the Republic of Korea according to its domestic law and air law. (Taiwan is a member of the "Hague Convention." Would they not have been handled according to law if they had arrived here?) Responsible departments are obliged to clearly tell the people about this fact. However, they have not done so but continue to fan the flames instead. This is indeed a neglect of their duty.

The article says that after the "six righteous persons" have returned, it is free to make arrangements for them behind closed doors and give them jobs, but no publicity should be given. At present, Taiwan's aviation business is very promising and the international community has high hopes for it. If we are thought to sympathize with or even support and reward hijackers, the loss may outweigh the gain.

ZHEJIANG ASSISTANCE TO TAIWAN FISHERMEN NOTED

OW221852 Beijing XINHUA in English 1438 GMT 22 Aug 84

[Text] Beijing, August 22 (XINHUA) -- A fleet of 170 fishing boats from Taiwan left ship's harbor in east China's Zhejiang Province Tuesday after taking shelter from an approaching typhoon, local authorities said.

These fishing boats, from Taiwan's Keelung, Kaohsiung and Suao harbors, were operating at sea when a No 9 typhoon approached, and sailed for shelter in Shipu Harbor in Xiangshan County, Zhejiang. The county government and local naval forces sent five vessels to guide the fishing boats into the harbor.

A fisherman who was suddenly taken ill on shore received medical treatment from local doctors, and two others were assisted to meet their long-separated relatives, the authorities revealed. Before departure, the fishing boats were given provisions of meat, vegetables and other necessities as well as medicine and fresh water, the local authorities said.

I. 27 Aug 84

C H I N A
TAIWAN

V 1

ECONOMIC OFFICIAL ADVOCATES LAX IMPORT POLICY

OW241231 Taipei CNA in English 0951 GMT 24 Aug 84

[Text] Taipei, Aug 24 (CNA) -- Chao Yao-tung, chairman of the Council for Economic Planning and Development (CEPD) said it's time for the government to relax restrictions on import of foreign products and materials.

"We have to further liberalize our trade and imports so that we can achieve a long-term economic growth," he said. He said the nation's economy is now on its right track and industrial production has returned to its normal pace.

In July this year, the export and import trade has reached a new record. Imports of machinery have continued to increase steadily in the past four months, reflecting an increase in willingness by local businessmen to invest. Last month, Taiwan's exports were U.S. dollars 2.92 billion, a record in a single month, and a gain of 26 percent over the corresponding month of last year. Imports, worth U.S. dollars 2.19 billion, rose by 22 percent from a year ago.

Industrial production in July showed an increase of 13.6 percent as compared with the same month of 1983. Agricultural production showed a slight drop of 0.1 percent in the first half of this year compared with a year earlier. The money supply growth rate rose only 11.3 percent at the end of July compared with the previous month, Chao said.

GOVERNMENT INFORMATION OFFICE DIRECTOR APPOINTED

OW231529 Taipei CNA in English 1432 GMT 23 Aug 84

[Text] Taipei, Aug 23 (CNA) -- The Executive Yuan Thursday appointed Dr Chang King-yuh as director-general of the Government Information Office.

Chang was first nominated to the new post by the Central Standing Committee under the Kuomintang Wednesday. The Executive Yuan approved his nomination and appointed him to the post at a regular meeting Thursday. He is to succeed James Soong who now is chairman of the Department of Cultural Affairs under the Central Committee.

Premier Yu Kuo-hwa, speaking on the occasion, especially lauded Soong for his contribution to the development of journalism in the country in his past position.

Dr Chang, 47, is a native of Hunan Province. A graduate from National Taiwan University, Chang obtained his doctorate in political science from Columbia University, the United States. He was previously dean of the Graduate School of Diplomacy at National Chengchi University and is currently director of the Institute of International Relations there.

TAIWAN NEGOTIATES WITH TOYOTA ON JOINT VENTURE

4 Sep Deadline Set

OW231531 Taipei CNA in English 1435 GMT 23 Aug 84

[Text] Taipei, Aug 23 (CNA) -- Officials with the Ministry of Economic Affairs, [MOEA] have notified Toyota Motor Corporation of Japan to give a "simple and clear" answer to whether it agrees to the three preconditions for setting up a joint car-making venture here.

I. 27 Aug 84

V 2

CHINA
TAIWAN

A ranking ministry official said what his ministry means by "simple and clear" is just "yes" or "no," and no elaborate explanations and appendices are needed.

Toyota representatives in Taiwan said Toyota will make a reply before Aug. 26. The deadline for the response has been set for September 4.

The three preconditions involve export quota share, local content ratio and the transfer of technology, all of which have been clearly stated by ROC [Republic of China] side during the two-year-long negotiations. The MOEA official pointed out that since both sides are just too well aware of each other's positions, no more discussions on the ROC's three preconditions are needed now.

Meanwhile, a ranking official with the China Steel Corporation which is representing the ROC side in the negotiations on the joint venture stated Wednesday that Toyota is attempting to postpone the showdown of the talks by seemingly agreeing to the ROC's three preconditions. The official, who declined to be identified, said Toyota is using the strategy of "fight, fight, talk, talk, and then talk, talk, fight, fight" in the fatiguing negotiations, hoping to outlast its would-be partner's breath. This is why Toyota has never uttered a "no" in the talks, the official pointed out, analyzing that it will never easily say "quit" because it is convinced that the Taiwan market is too attractive for it to do so.

The China Steel official called on the government to be decisive and resolute because any postponement will only damage the domestic economy.

Economics Minister on Project

OW250319 Taipei CNA in English 0233 GMT 25 Aug 84

[Text] Taipei, Aug. 24 (CNA) -- Economics Minister Hsu Li-te said Friday that the planned large-scale auto plant joint venture with Toyota motors of Japan should not be prolonged again. He said he hopes that Toyota will submit a final reply about the cooperation plan before the deadline of Sept. 4.

Toyota will hold a meeting of its board of directors Saturday. It is expected that a decision on the investment project will be finalized.

Minister Hsu's remarks are in response to news from Japan during the past days that Toyota intends to delay the project again for a certain period. He said his ministry welcomes Toyota to enter a joint venture to develop the auto industry here. However, if Toyota will not transfer technology through the cooperative project to the Chinese side in addition to meeting two other conditions set by the Chinese Government, then it would be meaningless to establish another assembly plant for autos in this country, he stressed.

TAIWAN TO BUILD INTEGRATED CIRCUIT FACTORY

OW231117 Taipei CNA in English 1004 GMT 23 Aug 84

[Text] Taipei, Aug. 23 (CNA) -- A pilot factory which will manufacture very large-scale integrated circuits (VLSI) is to be established by the Electronics Research and Service Organization (ERSO). This is the first time such a factory will be built in the Republic of China. Cultivating VLSI design capability in Taiwan as early as possible is the purpose of the project, according to ERSO. When the project is finished, ERSO will transfer the factory to private enterprise. ERSO has suggested that the government offer tax reduction and preferential loan incentives to investors interested in taking part in the project, who would then succeed ERSO in managing the factory.

GOP STANCE ON TAIWAN, HONG KONG 'INTERFERENCE'

HK241150 Hong Kong WEN WEI PO in Chinese 24 Aug 84 pp 1-2

["Contributing Script" by Chin Yao-ju: "Beware of the American Grabbers"]

[Text] Thank God! President Reagan of the U.S. Administration and his Republican Party have finally given us, the Chinese people, including the compatriots in Taiwan and Hong Kong, another good lesson.

The moral of this lesson is that the United States is determined to interfere in the internal affairs of China so as to make sure that the territory of China is divided.

This lesson has been included in the majestic platform of the Republican Party, which is widely known throughout the country and in the world. Please refer to the platform approved at the full session of the Republican Party on 21 August. It reads: "We endorse, with enthusiasm, President Reagan's affirmation that it is the policy of the United States to support and fully implement the provisions of the 'Taiwan Relations Act. In addition, we fully support self-determination for the people of Hong Kong."

That is to say: First, it treats Taiwan, the territory of China, as another "country"; and second, it treats Hong Kong, also the territory of China, as a region separated from China, and it asks the compatriots of Hong Kong to alienate themselves from the descendents of Emperor Huang and to pursue independence from China.

To treat Taiwan as a "country" can only be a dose of anesthetic given by the United States to the Taiwan authorities. Its ultimate goal is to take possession of Taiwan, to utilize it as an "unsinkable aircraft carrier," and to ask the Taiwan authorities to act as its gunner. This is also an arrangement made by the United States for the Taiwan authorities. It is not shocking?

For the compatriots of Hong Kong, this is a kind of disguised goodwill but evil provocation if it treats Hong Kong as a region separated from China and supports "self-determination" for the people of Hong Kong. Its ultimate aim is to fill the vacuum left by the British withdrawal. This is a continuation of Eisenhower's policy of filling the vacuum in the Middle East left by the British withdrawal. It can be said that this is a common practice and an old weakness of the United States. In other words, according to its common practice the United States will stretch out its hands toward Hong Kong while keeping its feet planted on Taiwan.

Bureaucrats of the U.S. Republican Party, are you not turning the clock back to the time of the Opium War in 1840 or the time of the Sino-Japanese War of 1894? Must you always be the worthy progeny of old-line British colonialists and the Japanese imperialists, inheriting their legacy and sinful debts? The bureaucrats of the United States do not like to be called imperialists or hegemonists. But what kind of doctrine is it that you have just publicized this time? What do you want us to call you, pray tell?

The United States has long been trying to grab Taiwan from our territory. It can be dated back to more than 30 years ago. It would be a novel thing if the United States suddenly repays this debt, which is not the usual practice of the U.S. bureaucrats. Instead, it is nothing unusual when it plays the same old tune. Anyway, we are already prepared to deal with it.

But the strangest thing is that the United States asks for more before its previous request is satisfied, and publicly interferes in Hong Kong so as to fill the vacuum left by the British.

This is another great invention of the United States. The United States is good at scientific and technological invention, which always radiates the light of the American people's mental and manual labor. However, the United States always exposes its true colors of being "an evil foreigner" in this kind of political invention.

But it is a pity that such a kind of invention is always unwelcome and unsuccessful. For example, actually there is no such vacuum in Hong Kong, which has been part of China's territory since ancient times. And more than 5 million Hong Kong people are descendents of Emperor Huang. These facts are generally acknowledged throughout the world. It is also widely known that China must recover Hong Kong and implement the rule of Hong Kong by the Hong Kong people. Nobody imagines that it is possible to shake this stand and determination.

The question is that now that the Sino-British talks have made a remarkable breakthrough in progress and the Sino-British agreement will be initialled in September, the United States suddenly announces at this critical moment the policy that it will "support self-determination for the people of Hong Kong." People cannot help but ask: Is it not that the U.S. bureaucrats want to interfere in the Sino-British talks and to obstruct the Sino-British agreement? Is it not that it wants to stir up trouble among the people of Hong Kong and to bring about turbulence? All the Chinese people, including the compatriots of Hong Kong, have to guard against and beware of this.

People cannot help but further ask: Is it not that the United States wants to give a shot in the arm to that minority among the British ruling circles which still believes in colonialism so as to have them raise a ruckus in Parliament, give a fashionable breakdance performance, and trample on the draft of the Sino-British agreement?

In fact, such a move by the United States is contrary to that of the British Government, and puts the British Government in a difficult position. The chairman of the British Conservative Party has expressed his opposition. He said: The question of Hong Kong's future is one that will be solved through talks between China and Britain. What an intelligent statement this is! Now, let us see how the British Government deals with it, and how it answers the question.

Not long ago Director Xu Jiatun said that we must maintain Hong Kong's prosperity and stability during the transitional period, and we must guard against interference from external powers. Now, it seems that he indeed saw the strategem clearly right from the start, and had a definite object in view. Is it not true that the U.S. bureaucrats have publicly interfered? All right, then. It is because it is better to make it public now rather than not; it is better to know a trick rather than not; and it is better to know sooner than later.

Therefore, the only conclusion is: In the next 13 years from now, and in the 50 years from 1997 onward, we must guard against interference from external powers. Judging from the present situation, we must particularly beware of the maneuvers of the U.S. bureaucrats and guard against their stirring up trouble. History has shown that the U.S. bureaucrats have tried to grab Taiwan, our territory, over the past 30-odd years without success. But it still has not given up, but engages in such and such actions.

Compatriots of Hong Kong, guard against fire! These four characters should be placed atop Victoria Peak.

The latest reports say that Mr Shultz, U.S. secretary of state, has personally refuted the stand of the Republican Party platform on the self-determination of Hong Kong. That's fine.

But if the Republican President is re-elected, does he have to implement the platform of the Republican Party? We wish that Mr Shultz would frankly ask the Republican Party to immediately delete the policy on "supporting self-determination for the people of Hong Kong." The policy on "fully supporting and implementing the 'Taiwan Relations Act'" should also be deleted. This is because both of them constitute interference in China's internal affairs. Both cases concern right and wrong. But there is only one truth. It is better to ask Mr Shultz to again refute the wrong side: What a blessing it is indeed!

USSR-PRC TIES VIEWED AFTER MONGOLIAN SHAKEUP

HK250154 Hong Kong TA KUNG PAO in Chinese 25 Aug 84 p 2

["Political Talk" column by Shih Chun-yu: "Mongolia After the Relief of Tsedenbal From His Post"]

[Text] According to reports, Mongolian People's Revolutionary Party (the Mongolian Communist Party) Central Committee General Secretary Tsedenbal was relieved of his general secretary and Political Bureau member posts at an extraordinary meeting of the Central Committee on 23 August. As China is a close neighbor of Mongolia, it naturally expresses concern at a leadership change there.

Tsedenbal is 67 this year. He took up the concurrent posts of general secretary and premier in 1952. His wife is Russian. He is out-and-out pro-Soviet. After the deterioration of Sino-Soviet relations in the early 1960's, Tsedenbal followed Khrushchev's lead and started to oppose China, purging one by one those cadres in the Mongolian party and government who advocated friendship with China. There was an initial thaw in Sino-Mongolian relations in 1982, when the two countries held the first meeting of their joint border inspection commission. Last year, however, Mongolia again expelled Chinese who were in that country. This July, the two countries initialled a document and annexes on joint border inspection. That was a sign of a turn for the better in their relations.

Tsedenbal visited the Soviet Union at the end of July and is currently undergoing treatment in a Moscow hospital. The cause his illness has never been disclosed. His departure from his post appears to be linked to his health, and his relief from the post of party general secretary shows that his condition has deteriorated. Reports from Eastern Europe claim that he has been sacked. If that is true, his illness is more than half the reason for it.

Batmonh, the new general secretary, is younger; he is 58. He was born into a poor herdsman's family in 1926. After graduating from the State University of Mongolia, he lectured there for a time and also taught at a teacher's training university. He left for Moscow in 1958 for 4 more years of study and gained a doctorate in economics. On returning home he became president of his alma mater, and is thus a scholar with a grasp of economics. Nevertheless, he rose rapidly. After Tsedenbal relinquished his concurrent premiership post in 1974, Batmonh was regarded as Tsedenbal's successor and became the No 2 man in the Mongolian party.

Mongolia is a full member of Comecon and is totally dependent on Soviet economic and technical support. Since the founding of the state, it has cooperated closely with the Soviet Union in internal and external affairs. It is therefore to be expected that there will be no change in its pro-Soviet line with the emergence of the new Mongolian Communist Party leadership.

Moreover, the Soviet Union has four divisions stationed in Mongolia, together with missiles and air force bases, all to threaten China. Due to Mongolia's geographical location between the Soviet Union and China, Moscow will certainly not slacken its political, economic, and military control over the country.

Beijing naturally hopes for a strengthening of Sino-Mongolian relations on the basis of the thaw that has already taken place, but there will be no great changes in relations until there is a relatively major turn for the better in Sino-Soviet relations.

PRC TIES TO HUNGARY VIEWED AGAINST USSR STANCE

HK270359 Hong Kong HSIN WAN PAO in Chinese 25 Aug 84 p 2

["New Talk" column: "Closer Ties Between China and Hungary; Soviets Put Pressure on East Germany"]

[Text] Yesterday, Premier Zhao Ziyang of China met with Jozsef Marjai, deputy chairman of the Hungarian Council of Ministers, in Zhongnanhai. Marjai is the most senior East European official with whom Premier Zhao has met recently. In addition, he is also the most senior Hungarian official to have visited China in recent years. It can be said that he symbolizes two "breakthroughs."

It was originally arranged that Arkhipov, first deputy chairman of the USSR Council of Ministers, was to visit China this April and to effect the above two "breakthroughs." However, on the eve of his visit, the Soviet Union suddenly announced postponement of the trip on the grounds that "preparations are still inadequate." It has not yet announced how long this visit is to be postponed. Not long ago it was said that the trip would take place around the new year. However, this has yet to be verified.

The Soviet Union and Hungary have recently held diametrically opposing views on the efforts made by the two Germanies to approach each other. Now, in regard to China visits, a senior Hungarian official has arrived instead of the senior Soviet official who has promised to come. People are tempted to guess at the subterfuges behind all this.

At present, China and Hungary have established relations between their governments and contacts between their peoples. Vice Foreign Minister Qian Qichen and Wang Bingnan, president of the Chinese People's Association for Friendship With Foreign Countries, have separately visited Hungary. This time, during his visit to China, Marjai was received by Zhao Ziyang in Zhongnanhai. This shows an improvement in the relations between the two countries.

In his speech, Zhao Ziyang hinted at the full-scale resumption of the bilateral relations between the two countries. This is a new gesture. In addition, he also emphatically pointed out: "Both sides should pay close attention to developing economic and technological cooperation. In this area there are great possibilities and we have great potential."

In the past year or so, China, which has been devoting all its energy to carrying out reforms, has thought rather highly of Hungary's economic reforms, and held that Hungary had achieved success by adopting an economic line based on its national conditions. In addition, its reforms are not what people in the West call the revival of capitalism. It simply hopes that it can more satisfactorily do its economic work, that its economy will be adapted to the markets, that it can make a profit, and that there will be competition. People think that Hungary's agriculture is particularly successful and that it is as well developed as that of Western countries in many respects.

As a result of its economic achievements, Hungary has more say in matters regarding relations between countries. Not long ago, the East German leader Honecker was criticized by the Soviet Union for planning a visit to West Germany. Hungary's newspapers and theoretical magazines backed East Germany and held that each country or each party can handle problems from its own point of view, that it is independent, and that it is not obliged to be conducted by a baton or interfered with.

At present, China is vigorously carrying out economic reforms.

It counters those countries that order people around with a baton, and it has resisted the Soviet Union's arbitrary orders and interference for a long time. Thus, it logically follows that China and Hungary are trying to approach each other again.

Li Xiannian, China's president, attended the ceremony held by Romania to mark the 40th anniversary of its liberation. He is currently visiting Romania. Later he will also visit Yugoslavia. Both Romania and Yugoslavia pursue an independent policy line and refuse to follow a baton. Honecker, the East German leader, was among those who went to the Romanian capital of Bucharest to extend congratulations to the country. The question of whether or not Honecker will visit West Germany in the next month has become the eye of a storm. Thus, it goes without saying that his appearance in Romania bears great political significance.

This morning's news says that as a result of Soviet interference, it is likely that Honecker will call off his trip to West Germany. Interference may work for a time; however, it absolutely cannot stop the increasingly frequent contacts and exchanges between the two Germanies.

Changes are taking place in Eastern Europe. With a large Army in Eastern Europe, the Soviet Union is covertly occupying that part of the world. However, its patriarchal behavior of shouting orders is already not working effectively. Should there be any changes in East Germany, the Soviet Union will be dealt the greatest fatal blow in the 40 years since the conclusion of World War II.

HONG KONG CONTINUES APPEAL OF U.S. TEXTILE RULE

HK250301 Hong Kong SOUTH CHINA MORNING POST in English 25 Aug 84 Business News Supplement p 1

[By Suzanne Sim and Diane Stormont]

[Text] The battle has just begun for Hong Kong's textile exports threatened by the controversial country-of-origin rule of the United States. This was the message from the Director of Trade, Mr Hamish Macleod, who returned last night from two days of negotiations with U.S. officials.

"The battle is not over yet," Mr Macleod said. "That was one skirmish in a continuing affair." It is important not to view this narrowly as a bilateral affair between Hong Kong and the U.S., Mr Macleod emphasized. He said the bilateral consultation and the notes of protest are effective tools in getting the Hong Kong message across.

The Hong Kong position was put across formally through the consultations. The Hong Kong side indicated very clearly that it regarded the U.S. action not to be in accordance with the Multi Fibre Arrangement (MFA) and bilateral agreements.

Mr Macleod pointed out that we should not be too discouraged by the outcome of this round of talks.

Other countries were also involved in the case and it would take more than one round of talks to reach a satisfactory outcome. He said the U.S. side was surprised by the amount of reaction to the proposed regulation. At this point, the U.S. did not appear to have made up its mind what to do in the face of both overseas and domestic antagonism to the move.

Mr Macleod confirmed the Hong Kong Government has not received any formal notification of the recently announced concession which extended the date of arrivals in the U.S. to October 31 for goods ordered before August 3. This is regarded as a very minor concession with no great significance. "We did not ask for it, and our position remains unchanged," he said.

I. 27 Aug 84

W 6

CHINA
HONG KONG MEDIA ON CHINA

The regulation must be rescinded, Mr Macleod stressed. He said the talks took place with officials below the secretarial level. However, high officials of the secretarial levels have been lobbied by pressure groups in the U.S.

Mr Macleod said there was lots of behind-the-scene activities going on leading up to the September 4 meeting of the Textile Committee in Geneva. He noted that two senior Hong Kong industrial advisors had remained in the U.S. to continue the battle and one of them should return to Hong Kong by next Tuesday for the Textile Advisory Board meeting.

He said a number of points contained in the new regulations will be clarified by the U.S. "Although we did not go through the regulations line by line, we confirmed that the regulations do apply to all countries exporting to the U.S. regardless of any bilateral agreements." The measure is non-discriminatory, he said.

On the question whether Hong Kong would ask the UK Government to intercede on its behalf, Mr Macleod said the UK, as part of the European Economic Community (EEC), is also affected by the rules.

Hong Kong was in touch with the EEC rather than with just the UK over the affair. Hong Kong was also in touch with other countries concerned, but not at the level of formal representation. Mr Macleod emphasized that Hong Kong was the first country to go to Washington to protest against the regulations. Hong Kong told the U.S. that the territory will continue to administer its textile exports under the terms of the existing bilateral agreement.

Mr Macleod did not give any indications of what he expected the outcome of the GATT (General Agreement on Tariffs and Trade) meeting on September 4 to be. He also made it very clear that the chance that China may cancel its grain shipment from the U.S. would play an important part in the U.S. attitude. The grain lobby in the U.S. is very powerful, he said.

Meanwhile, the Joint Committee of Hong Kong's Knitwear Associations has expressed concern that the U.S. decision to extend by three weeks the country-of-origin rule deadline is more restrictive than the original decision. Joint Committee deputy chairman, Mr Henry Tang said the reprieve means manufacturers have less time to ship their goods and that manufacturers will lose more orders. It would also create a chaotic situation whereby everybody would wind up scrambling for freight space. Mr Tang said the committee is monitoring the situation.

He said on August 10 the committee lawyer received verbal confirmation from the U.S. Customs Services that any parts of components arriving in Hong Kong before September 7 could be shipped to the U.S. under the old rule. Exporters and manufactures, he said, would have had more time for shipments as long as they could prove the parts arrived in Hong Kong before that date.

But the latest announcement had changed that, and manufacturers now had less time to make and ship their goods before the new cut-off date. "The U.S. Government is under the impression that by changing the rules they might help the industry, retailers and importers, but actually it is even more restrictive," he said. Association companies were facing losses of about U.S.\$125 million under the original deadline, he said, lamenting that now the amount will be higher.

After a special meeting yesterday, the joint committee decided not to step up on its boycott on American imports until the return from the U.S. of its two representatives.

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